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ABSTRACT

The U.S. House of Representatives Committee on Education and Labor reported on the Improving America's Schools Act of 1994, which would extend for 6 years the programs under the Elementary and Secondary Education Act of 1965. This report suggests that legislation with amendments and recommends that the bill be passed. The Improving America's Schools Act of 1994 not only continues federal funding of approximately $10 billion to programs, but also reshapes these programs to better serve states and local school districts. In 1993, Congress passed the Goals 2000, Educate America Act, which establishes a new framework for providing federal assistance. It helps states set new standards for education and eases regulation to allow schools to meet their goals. The Improving America's Schools Act of 1994 refashions federal programs to follow up on Goals 2000 and help states achieve the same objectives. Current federal programs cause some children to be pulled out of regular classes, thus stigmatizing them and disrupting lessons. These children are also often expected to learn less because they are thought of as educationally disadvantaged. This act will amend those problems by requiring that all children meet higher standards. It also moves federal aid to schools rather than to individual children so schools can have more freedom and accountability in addressing problems. Minority, supplemental, and additional views are included. (JPT)

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103d Congress } HOUSE OF REPRESENTATIVES { Report
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IMPROVING AMERICA'S SCHOOLS ACT OF 1994

REPORT

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

ON

H.R. 6

together with

MINORITY, SUPPLEMENTAL, AND ADDITIONAL VIEWS

[Including cost estimate of the Congressional Budget Office]

FEBRUARY 18, 1994.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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103d Congress
2d Session
HOUSE OF REPRESENTATIVES
Report
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103D CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
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IMPROVING AMERICA'S SCHOOLS ACT OF 1994

FEBRUARY 16, 1994.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FORD of Michigan, from the Committee on Education and Labor, submitted the following

REPORT

together with

MINORITY, SUPPLEMENTAL, AND ADDITIONAL VIEWS

[To accompany H.R. 6]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 6) to extend for six years the authorization of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

The amendment to the text of the bill is a complete substitute therefor and appears in italic type in the reported bill.

The title of the bill is amended to reflect the amendment to the text of the bill.

PURPOSE

The purpose of this Act is to reauthorize most of the Federal Government's programs providing aid to elementary and secondary education so that they better assist states and local school districts as they reform public education. The authorizations for 12 programs under Elementary and Secondary Education Act are not extended.

COMMITTEE ACTION

H.R. 6 was introduced by Mr. Kildee, Mr. Ford (of Michigan), and Mr. Goodling on January 5, 1993.

The Subcommittee on Elementary, Secondary and Vocational Education held 28 days of hearings in 1993 on H.R. 6, 8 of which were held outside of Washington, D.C. The hearing topics and dates were as follows: February 2, The Role of ESEA Programs in School Reform; February 4, The Role of ESEA Programs in School Reform; February 18, Assessment; February 25, Chapter 1; March 4, The Role of ESEA Programs: March 18, National Association Testimony; March 23, Hearing on the Dwight D. Eisenhower Mathematics and Science Education Act and Technology in Schools; March 31, Hearing on Coordinated Services; April 21, Women's Equity in Education; April 22, Secretary Riley on the Elementary, Secondary Education Act of 1965; April 27, Oversight Hearing on ESEA Programs Serving Native Americans, Alaskan Natives, and Native Hawaiians; April 30, Field Hearing held in York Springs, PA, Reauthorization of the ESEA; May 1, The Elementary and Secondary Education Amendments of 1993, Field Hearing held in Oakland County, Michigan; May 4, Oversight Hearing on the Federal Role in Systemic Education Reform; May 13, Elementary and Secondary Education Act Reauthorization; May 14, Field Hearing in Houston, TX, Reauthorization of the ESEA; May 25, Impact Aid and Chapter 2; June 10, Chapter 1; June 22, School Safety; June 30, Migrant Education Programs; July 13, Joint Hearing with the Committee on Post Office and Civil Service's Subcommittee on Census, Statistics and Postal Personnel on H.R. 1645, the Poverty Data Improvement Act; July 22, Bilingual Education; September 18, Field Hearing in Vancouver, WA, Reauthorization of the ESEA; September 23, Secretary Riley's testimony regarding the Improving America's Schools Act of 1993; October 4, Field Hearing held in Los Angeles, CA, Reauthorization of the ESEA; October 4, Field Hearing held in Providence, RI, Reauthorization of the ESEA; October 16, Field Hearing held in Mesa, AZ, Reauthorization of the ESEA; October 18, H.R. 6: Field Hearing held in Bronx, NY.

H.R. 6 was approved, as amended by the Subcommittee on Elementary, Secondary and Vocational Education on February 1, 1994.

H.R. 3453, the Safe and Drug-Free Schools and Communities Act, was introduced by Mr. Owens on November 4, 1993. The Subcommittee on Select Education and Civil Rights held two days of hearings. The first hearing was held in Washington, D.C., on March 31, 1993, and the second was held in Chadron, Nebraska, on June 19, 1993.

H.R. 3453, was approved, as amended, by the Subcommittee on Select Education and Civil Rights on January 26, 1994.

On February 8, 1994, the Committee on Education and Labor considered H.R. 6, amending it to include the text of H.R. 3453. H.R. 6, as amended, was approved and ordered reported by a record vote of 29 to 14, a quorum being present and voting in person.

SUMMARY

H.R. 6, the Improving America's Schools Act of 1994, reauthorizes most of the Federal Government's programs of aid to elementary and secondary education. These programs are principally included in the Elementary and Secondary Education Act of 1965, and provide approximately $10 billion of assistance to states and local school districts.

The purpose of H.R. 6 is not only to extend the authorizations of these programs; it is also to reshape these programs so that the Federal Government better assists states and local school districts as they reform the public schools. Most of these programs were fashioned in the 1960's before the current wave of school reform began, and thus they are in need of updating to fit better into how states and school districts are making education more appropriate to meet today's demands.

Last year the House passed the Goals 2000, the Educate America Act, which establishes a new framework for the Federal Government to provide this type of assistance, and H.R. 6 helps to fill in that framework by re-fashioning Federal programs to supplement state and local school reform efforts.

Goals 2000 helps the states to establish high standards for all children, to reshape testing in order to better measure whether children are achieving these standards, and to ease the rules and regulations so that efforts are concentrated on results and not only on technical compliance. H.R. 6 follows through on that bill by refashioning Federal programs so that they assist states to achieve the same objectives.

H.R. 6 amends the array of programs in the Federal Elementary and Secondary Education Act and related laws to require that they support the efforts of the states to have all children attain high standards. Since the 1960's Federal programs have helped to raise the achievement of those who have traditionally lagged furthest behind in the schools. In fact, the only real achievement gains which have been made in the last 20 years have been among those who have been the principal beneficiaries of Federal programs. However, unfortunate, and unintended, consequences for children have resulted from the way in which Federal programs have been structured.

Federal programs now too often lead to the children who are meant to be the beneficiaries of aid being pulled out of the regular classroom which both stigmatizes these children and disrupts the lessons being provided in the classroom. Another unfortunate effect of the current system is that these children are too often expected to achieve less since they are pictured as being "educationally disadvantaged" and therefore less able.

This bill seeks to remedy these defects by requiring that all children be expected to achieve high standards, even if they are from poor families, from families which do not speak English, or who are otherwise "educationally disadvantaged." It also moves towards providing Federal aid to schools instead of to individual children so that whole schools will be held to bringing all their students up to high achievement, instead of separating the poor, limited-English speaking, or other children with educational problems into separate classrooms and by implication expecting less of them.

The heart of the legislation is to demand greater educational achievement in exchange for much more freedom in the use of Federal funds. The whole bill can be summed up in two words: flexibility and accountability.

The legislation is replete with provisions giving educators the flexibility to combine Federal programs, to use Federal aid in whatever fashion is needed to improve education, and to seek waivers from rules and regulations whenever it is necessary to improve achievement.

But, the accountability is equally clear. If educational gains are not achieved, then school districts are expected to help schools to improve and if there is still not success then states are expected to intervene to secure that result.

H.R. 6 calls for the most important changes in Federal aid to elementary and secondary education since that assistance was first substantially established in the 1960's. The whole purpose is to make Federal programs part and parcel of school reform for all children, instead of being separate programs for special children. But, while blending Federal aid into the general reform effort, there will still be a demand that the children who have too often been left behind will have to be brought up to the same level of achievement as other children. By passing this legislation the Congress will give a substantial boost to improving education for all children, including those who have too often been forgotten.

BACKGROUND AND EXPLANATION

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

"Title I, Part A"

Since 1965, Title I has been on the forefront of our nation's efforts to meet the special educational needs of educationally-deprived children. During its 28 year history, the program has called attention to the plight of poor and low-achieving children through locally-operated "compensatory education" programs and of migrant, disabled, and neglected and delinquent children through three state-operated special programs. It has grown from a $960 million commitment in school year 1965–1966 to a $6.3 billion commitment in 1994–1995 making it the largest federal elementary and secondary program.

This reauthorization is particularly significant as it will set the course for the program into the year 2000. Much has changed in education since 1965 and our knowledge of learning and teaching has grown. The changes proposed in H.R. 6 reflect that increased understanding and are intended to shape Title I in a manner that reflects the educational needs of children today with the flexibility to respond as those need change in the future.

Explanation of the Legislation

In reauthorizing Title I (restoring the program's original name) for five additional years, the Committee proposes a total re-write focusing on high standards rather than remedial low-level skills, and providing greater decisionmaking authority and flexibility to schools in exchange for greater responsibility for student performance.

States desiring to receive Title I funds would submit a plan to the Secretary of Education describing the content, student performance, and opportunity-to-learn standards, and assessments that would be established or used for Title I programs. These standards and assessments would be tied to the state's systemic reform efforts, if any, under the Goals 2000: Educate America Act to ensure that the performance expected of children in Title I schools is the same as that expected for all children in the state.

Content standards would clearly articulate what children should know and be expected to do. Performance standards would provide a way for determining whether students are actually learning the subject material of the content standards. Opportunity-to-learn standards would identify the factors that must be present to assist students to achieve the standards.

The bill directs states to develop content standards in core subject areas, however, the term core subject area is not defined. The Committee wishes to make clear that reference to core subject areas does not mean that children in Title I programs should not be exposed to other subject matter such as art in cases where those subjects are not a core subject, nor is this language intended to preclude the use of multidisciplinary approaches to these subject matters such as social studies. The state's initial plan could include only standards for mathematics and reading/language arts, if the state has not developed standards in other subject areas. These standards would be supplemented by standards in other subject areas as the state develops them.

In another major change, assessments for Title I children would be tied to existing state assessment systems, eliminating the burdensome testing requirements of existing law. These new state assessments would be tied to the state's standards and be used as the primary means of determining whether local educational agencies and schools are making adequate progress in enabling their students to meet those standards. Assessment results would be disaggregated by categories of students to help schools ensure that all types of students are making progress towards meeting the state standards.

Assessments would be given at some time during grades 3 to 5, grades 6 through 9, and grades 10 through 12. Within the grades that are tested all children would be assessed and scores would be provided for individual students so they have a motivation to do their best. The assessments would be the only assessments required under Part A. Additionally, states would be able to use an interim assessment system while developing their standards and assessments.

Local educational agencies (LEAs) desiring to receive Part A funds would submit a local plan to the state for approval. The local plan would be similar to the state plan. However, local educational agencies could supplement state standards and assessments with additional ones if they choose to do so.

The importance with which the Committee views the expanded professional development requirements for local educational agency and school plans is reinforced by the fact that the professional development provisions are placed in a separate section of title I. Further, in reviewing local plans, the state is required to examine proposed professional development activities in the context of specific criteria that ensure that the school district will carry out high quality professional development. H.R. 6 also provides that Title II funds can be combined with funds under Title I in order to increase the available pool funding within a school district for professional development.

Instructional aides

It is essential that children receiving Title I services receive instruction from qualified, well trained staff. According to a recent report by the International Reading Association, nearly half of all Title I instructors are actually instructional aides with little or no post-high school training. Over 80 percent of these instructional aides have earned only a high school degree or equivalent. To address this situation, H.R. 6 would require that instructional aides who do not have a high school diploma or a General Education Development certificate obtain one within two years of employment with limited exceptions.

Schoolwide programs/targeted assistance schools

H.R. 6 would put Title I in the center of school reform by making it easier for high-poverty schools to operate schoolwide programs intended to upgrade the entire educational program in those schools. Currently schools can become schoolwide programs if their poverty level is 75 percent or greater. H.R. 6 would lower the percentage to 65 percent in year 1995–1996, and 60 percent in the subsequent years. Schoolwide programs could commingle all the funds they receive from other Federal categorical and competitive grants (except for Individuals with Disabilities Act funds) to support their shoolwide program without separate accountability requirements and without requesting waivers.

To provide further support to schoolwide programs, states must establish school support teams made of individuals knowledgeable about teaching and learning to provide technical assistance to schoolwide programs. School support teams are to be financed with state administrative funds and local educational agency funds. States would have to certify that school support teams are in place before new schoolwide programs could be established.

Schools that are ineligible or choose not to operate schoolwide programs are to use Title I funds to provide services to children who are failing, or most at risk of failing to meet the state's standards. Schools would decide which children to serve based on educationally-related criteria. Current law requirements for district-level assessments of educational need would be eliminated.

It is vital that language minority and limited-English proficient students are fully and fairly integrated into the systemwide educational reforms envisioned for Title I and H.R. 6 would clarify that children with disabilities or limited-English proficiency would now be selected for services on the same basis as other children. No longer would local educational agencies have to document that these students' lack of educational progress stems solely from educational deprivation and not their disability for limited-English proficiency.

Both schoolwide and targeted assistance programs would be organized around a set of components to enable children served under Part A to meet the state standards. These components would include: effective instructional strategies that give primary consideration to extended learning time; involved accelerated curriculum; intensive professional development; and strong parental involvement. Additionally, schools serving children beyond grade six are to include counseling and mentoring services, college and career awareness, and school to work transition services.

There are a number of successful models that promote higher order thinking skills that may help children reach challenging new standards. The Committee notes that in urban areas, where the concentration of students living in poverty is greatest, students are far less likely to perform at higher levels in all areas including math and science. Accordingly, the Committee has included strong language in both Goals 2000 and H.R. 6 to increase the performance of students in math and science.

Project SEED is one example of a model program which targets disadvantaged children and has a proven track record of increasing the ability of these students to perform high level math skills by providing intensive instruction by highly motivated teachers who are trained specifically to teach children complex math skills. At schools in which project SEED has established its program, math skills have improved tremendously resulting in greater participation and higher student achievement. Another program of particular note is the Beginning School Mathematics Program developed at Oakland University in Michigan, which offers students intensive instruction in mathematics in the first 3 grades.

The Committee therefore recommends that state and local education reform plans consider programs such as these as possible components of their math reform efforts. Such programs might also serve districts well through coordination of existing or future professional development plans should teachers be in need for intensive training. Given that the future employment base in this nation will be dependent on technology; and that an understanding of this technology requires a firm understanding of mathematic principles, Project SEED, Beginning School Mathematics and similar programs will serve well in preparing students for the future job market.

Accountability/Program Improvement/Distinguished schools

H.R. 6 would extensively revise program accountability provisions for schools that are not making progress in enabling their students to meet the state standards. These changes are intended to establish a more effective system of accountability and improvement based on the ability of schools and school districts to meet clearly defined objectives.

Each state would be required to develop a definition of what constitutes adequately yearly progress towards enabling Title I children to meet the state's performance standards. However, the term "adequate yearly progress" would apply to schools and local educational agencies instead of individual students. State assessments would be reviewed each year to determine whether local educational agencies and schools are making such progress. The purpose of the review, in addition to accountability, would be to provide information to each school and local educational agency needs to refine the program of instruction to better enable children to meet the state standards.

Any school that, for three consecutive years, exceeds the state's definition of adequate yearly progress or virtually all of whose students meet the state's top performance standards could be designated by the state as a Distinguished School. In addition to state recognition, distinguished schools may serve as models and provide support to enable other schools to meet the state's performance standards. Local educational agencies may also reward the success of distinguished schools through actions such as permitting greater decisionmaking at the school building level.

Schools that for two consecutive years fail to meet the state's definition of adequate progress (as well as those schools currently in program improvement for two consecutive years when the bill takes effect) would be designated as schools in need of improvement. These schools would be required, in consultation with parents, the local educational agency, revise their school plan in order to improve the performance of children in the school.

States are to use program improvement funds to establish a corps of Distinguished Educators or some other form of intensive assistance to schools in need of improvement.

If, after three years in school improvement and after receiving technical assistance and other remediation measures from the local educational agency, a school still fails to make adequate progress, the local educational agency must take corrective actions that are in compliance with state law. Corrective actions are actions such as decreasing decisionmaking authority at the school level, making alternative governance arrangements such as the creation of a charter school, and reconstituting the school staff. When an identified school makes adequate progress for two out of three years, it would no longer need to be identified for school improvement.

The time for identification and the length of time in school improvement are both extended to two years in order to improve the quality of the data on which schools are identified for school improvement and allow time for action taken by the schools to have effect. The requirement for technical assistance also would recognize that the lowest achieving schools will need help in determining how to improve. However, corrective action would be required after three years in program improvement to ensure that, in situations where there is continued failure to make adequate progress, more aggressive actions are taken so that children in those schools will be given the opportunity to receive a high-quality education.

H.R. 6 establishes a similar track of improvement and accountability for the local educational agency in recognition of its vital role in the performance of schools and children. While the local educational agency would review the progress of schools, the state would review the progress of the local educational agency. The state educational agency would annually review the progress of each local educational agency to determine whether it is making adequate progress towards meeting the state's definition of adequate progress. Any local educational agency that for three consecutive years exceeds the state's definition of adequate progress could be rewarded. Any local educational agency that has not made adequate progress for two consecutive years would be identified for improvement.

If after the provision of technical assistance and other remediation, a local educational agency still fails to make adequate progress after three years in program improvement, the state educational agency must institute corrective actions. Corrective actions must be consistent with state law and may include actions such as appointing a receiver to administer the school district or making changes in school district personnel. Corrective action would be required after three years in program improvement rather than two years (as would be the case for schools in program improvement) to give the local educational agency sufficient time to turn around those schools needing improvement before being subject to corrective action. When an identified local educational agency makes adequate progress for at least two of three years, it no longer needs to be in program improvement.

Parental Involvement

H.R. 6 would build on the success of the parental involvement requirements added to the law in 1988 to further strengthen the involvement of parents at the state, district, and school levels. If they do not already have one, local educational agencies and schools would have to develop a parental involvement policy that would provide a framework for parental involvement.

In addition, a new emphasis is added to promote shared responsibility between parents and schools for the high performance of children through a school-parent compact in each Title I school. This compact would spell out the shared responsibilities of schools and parents as partners in student success.

H.R. 6 also would reinforce the importance of training to effective parental involvement including assistance to parents in understanding the state's standards, the state's assessments, and literacy training, if necessary, to help parents work with their children at home to improve their children's achievement.

Participation of Children Enrolled in Private Schools

H.R. 6 continues the requirements that have been in the law since 1965 which require that Title I services be provided to eligible children who attend private schools, after timely and meaningful consultation with private school officials. While the bill does not contain language defining "timely and meaningful consultation," the Committee notes that this issue is addressed in Department of Education regulations. The Committee expects the Department of Education to maintain their regulations in this matter.

Distribution of Funds

H.R. 6 proposes a new formula for the distribution of Title I funds based on three principles. These principles are: (1) no schools lose money simply by the way the formula is drafted; (2) no programs are shut down; and (3) areas with greater concentrations of poverty should get a greater share of increased appropriations.

These objectives are accomplished through a two-step distribution formula. First, funds equal to the fiscal year 1994 appropriation are distributed according to the formula in current law including the current law requirement that 10 percent of the funds be allocated according to the existing concentration grant formula. Funds appropriated in excess of the fiscal year 1994 appropriation would be distributed through a new weighted student formula where everyone would get a portion of the increased appropriations, but students in areas with greater concentrations of poverty would receive slightly more.

The new formula also provides for funds to be distributed directly to local educational agencies, rather than counties, and for the use of updated poverty estimates being developed by the Census Bureau for the distribution of funds between decennial censuses. It is expected that the first updates will be available in 1996 and at two year intervals after that time.

Because Puerto Rico is not a state, it is not treated as a state for the purposes of the formula. However, the formula proposed in this legislation would provides for the allocation of funds to Puerto Rico in an amount equal to that which Puerto Rico currently receives.

H.R. 6 also would change the way Title I funds are allocated among schools within local educational agencies. If there are insufficient funds to serve all eligible school attendance areas, local educational agencies would rank schools according to the number of children from low income families and all schools with 75 percent or more poor children must be funded before schools with fewer poor children. This means that a high school or middle school with 75 percent or more poor children would have to be funded before an elementary school with 60 percent poor children.

In addition, local educational agencies would be required to allocate a minimum amount per poor child in the schools being funded. The amount per poor child would have to be at least 80 percent of the amount of Part A funds the local educational agency received for each poor child in the district. This provision would ensure that funds are not spread thinly across all eligible schools. If a state augments Part A funds with state funds, those state funds may be counted toward meeting this requirement.

"Title I, Part B, Even Start Family Literacy Program"

Background

Even Start is a family-focused program providing participating families with an integrated program of early childhood education, adult literacy and basic skills instruction, and parenting education. All projects have some home-based instruction and provide for the joint participation of parents and children. Even Start is now primarily a state-administered discretionary program in its fifth year of implementation. In addition, the department administers direct discretionary grants to Indian tribes and tribal organizations, for migratory families, and to the outlying areas. There are approximately 344 local Even Start programs operating in every state, Puerto Rico, and the District of Columbia.

Provisions of H.R. 6

H.R. 6 places a greater emphasis on the family focus of program goals and activities, both in its purpose and through the inclusion of members of families other than parents in appropriate activities. One very important provision of the bill amends the definition of an eligible parent to include teen parents who are still in school. Under current law, this very needy population is ineligible for services. Other provisions of the bill revise revising Even Start's statement of purpose to reflect the family focus of Even start and its targeting on families in poverty; strengthen targeting to families most in need; require program designs to provide services for at least a 3-year age range and to operate on a year-round basis; require stronger collaboration in the application and implementation process; and provide more flexibility to the states and the Department.

"Title I, Part C, Education of Migratory Children"

Background

The Title I migrant program authorizes grants to state educational agencies (SEAs) for special programs designed to meet the needs of children of migratory workers. This program was first enacted in 1966 in recognition of the particularly difficult educational problems migrant children face.

The dropout rate for migrant students is extremely high. Typically migrant child lags 6 to 18 months behind his expected grade level, beginning in the primary grades. Many migrant children are poor and many do not speak English. Their mobility retards educational progress and they are often difficult to find and serve.

Because of the transient nature of the population, the program is administered through the SEAs, which make project grants, usually to LEAs. Migrant funds are distributed to states based on the number of "currentlies", those who have moved in the past year, and "formerlies", those eligible for 5 full years after ceasing to move.

Almost 800,000 children were identified in 1993 as migrant of which 80% receive services. Services include educational and other support to improve their educational participation and achievement. Health and educational records are required to be transferred from one school to another when a child moves. For years this task has been undertaken by the migrant student record transfer system, funded through a separate section of the statute for "coordination" activities. The statute also authorizes summer programs, funded through an adjustment made to each state's allocation.

H.R. 6 extends the migrant education program and makes several significant changes to better target resources to the "currently" migrant child who is more in need of services, the most difficult to reach and most expensive to serve. It adds a new statutory authority to serve "emancipated" youth, older children who do not travel with their families. The bill adds incentive grants for SEAs which enter into consortia arrangements for the more efficient delivery of services for interstate students. Consortia grants could, for example, be made to encourage greater cooperation in the identification and recruitment of children moving between states. The committee expects the Department to begin the implementation of this provision at the earliest date possible. H.R. 6 requires the Secretary to develop a new summer formula to better distribute resources. The bill adds authorization for a distance learning grant. If this is undertaken the Committee expects there should be coordination with the Star Schools program. Finally, the bill removes from current law, the funding requirement for operating the migrant student record transfer system. The Committee believes children's records can be transferred in a more cost effective and efficient manner and directs the Secretary to pursue alternative strategies. Further, the Committee hopes states will develop agreements on transferring credits from one school to another.

The Committee reported bill defines a "migrant" for the purposes of eligibility in this program as one who has moved within 24 months. For the first year after enactment, however, a 36-month definition will be used to facilitate the transition to the greater emphasis on currently migratory children.

The Committee recognizes that cessation of migration does not necessarily mean that a child's need for supplementary educational services disappears. The Committee intends that formerly migrant children who no longer meet the definition of "migrant" in the bill and who continue to need supplementary services may receive these services through Part A programs.

"Title I, Part D, Prevention and Intervention Services for Delinquent Youth and Youth at Risk of Dropping Out"

The bill reported by the Committee modifies the existing Chapter 1 State Agency Program serving neglected and delinquent youth. It eliminate services for neglected youth in state facilities and targets dollars on delinquent youth in state correction facilities. For youth in adult facilities, the bill places a priority on services to youth who are likely to complete incarceration within a 2-year period. The legislation also requires youth in state facilities serving youth to participate in education programs for 20 hours a week and those residing in adult facilities to participate in such programs for 10 hours a week in order to qualify for services under this Act. Finally, in order to facilitate a youth's transition back into locally operated programs, the legislation requires the designation of an individual in each institution to be responsible for issues related to such transition.

H.R. 6 also adds a new part to this section to address the needs of youth in local correctional facilities. The bill requires states to withhold funds generated throughout the state under Part A based on youth residing in local correctional facilities and to use such funds to provide grants to school districts with large numbers of youth in local correctional facilities and a high number of dropouts. Such funds are to be used by the local educational agency, in collaboration with local correctional facilities to continue transition activities for youth returning from such facilities, operate dropout prevention programs in local schools of youth at risk of dropping out and youth returning from correctional facilities and to prepare youth who have finished their period of incarceration for employment, high school completion and further education. The purpose of this new part is to better focus dollars on schools with the highest number of these at risk youth and is based on evidence of a strong correlation between educational achievement/failure and delinquent activities. The Committee believes that by targeting these dollars they can increase the opportunities for successful outcomes for participating students. Nothing in this section will, however, prohibit local school districts which do not receive funding under this part from using other funds available under Part A to serve youth in local correctional facilities.

Pregnancy is the most common reason that teenage girls drop out of school. Once they do drop out, nearly half of these teen mothers never complete high school. Overall, nearly half of the female dropout rate is due to pregnancy, and approximately a quarter of the entire dropout rate is due to pregnancy. The Committee believes that pregnant and parenting teens should be made a priority for any and all dropout prevention programs funded under Part D of title I.

Grantees receiving funds under Part D should also note the applicable statutory requirements of Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex for all education programs reciting federal funds. In practice, this requires that all girls and boys in correctional facilities receiving federal funds must have equal access to all education programs and activities. In the case of broader dropout prevention programs, the needs of both male and female students, including those of pregnant and parenting teens, must be addressed.

"Title I, Part E, Federal Evaluations and Demonstrations and Transition Projects"

This part would authorized a variety of evaluations and studies to determine how well Title I is meeting its purpose and to provide information to improve program operation. The Secretary would also be authorized to support demonstrations to improve Title I programs including preschool transition programs.

The bill authorizes in section 1503 innovative elementary school transition projects. Priority is given to schoolwide programs in applying for grants the purpose of which are to assist children who previously participated in Head Start, Even Start, or other preschool programs to: (1) make a successful transition from preschool through the early elementary grades; and (2) to achieve challenging academic standards.

Applicants must propose to use an innovative approach or model which provides for coordination of services and strong parental involvement.

Of the amount reserved to carry out this section 30 percent of the funds shall be used to support the provision of training and technical assistance by sponsors of the model approaches.

The Committee believes it is essential to assist children moving from Hard Start, Even Start, and state-run preschool programs with the transition to elementary school. It has been suggested that the "fade-out effect" seen in former Head Start participants may be mitigated by the continued provision of services to at-risk families during the elementary school years. The Committee believes that supporting these families is a critical component of providing Title I services through the transition provisions in Title I.

"Title I, Part F, General Provisions"

This part would permit state rulemaking related to Title I, but makes it clear that regulations should be kept to a minimum. Each state also would establish a Committee of Practitioners, a majority of whose members must represent local educational agencies. The Committee of Practitioners would provide advice to the state in carrying out its responsibilities including regulatory responsibilities. States could reserve up to one percent of the funds it receives under Title I programs (excluding Even Start) for state administration, with minimum amounts established for smaller states.

This part also directs the Secretary to use a negotiated rulemaking process for the development of Part A regulations on a minimum of 4 issues including schoolwide programs and parental involvement. The Secretary also is to prepare a policy manual to assist states and local educational agencies in carrying out Title I programs.

"Title II, Part A, Dwight D. Eisenhower Professional Development Program"

Professional Development Needs for an Era of Educational Reform

The Committee recognizes that the success of any effort to reform elementary and secondary education depends upon a substantial investment in improving the knowledge base, pedagogical skills, and working environment of our teachers. With national and state standards for the content of the curriculum taught in our schools and standards for students' performance rising to world class levels, professional development of our teaching force has never been more critical. The fit between the nation's reform agenda and most available models for professional development is not just poor, but potentially debilitating for educational reform. We cannot afford to invest in more of the one-shot, short-term inservice training that passes for professional development in many school districts.

In testimony before the Subcommittee on Elementary, Secondary, and Vocational Education, Michael Kirst, Professor of Education at Stanford University, made it clear that "education is won or lost in the classroom where teachers meet children." Describing educational reform efforts in California, Dr. Kirst stated, "California found that we had these very high level standards and textbooks and assessments, but we did not have the teachers that could convey and teach this complex challenging curriculum to a very diverse student body * * *." In her writings on the complex educational reforms underway in this country, Judity Warren Little, Associate Professor at the University of California-Berkeley, has described the kind of professional development that is needed as one that provides "meaningful intellectual, social, and emotional engagement with ideas, with materials, and with colleagues both in and out of teaching."

The Dwight D. Eisenhowever Professional Development Program will establish that kind of professional development as an investment in educational reform. The program being authorized as Title II, Part A, will provide teachers in the core academic subject areas with sustained and intensive high-quality professional development. The legislation capitalizes on the strengths of the proposal put forward by the U.S. Department of Education in the Improving America's Schools Act of 1993, and expands its scope to include development of critically needed, high-quality curriculum aligned with state or local standards. It builds upon the great success of the Eisenhower Mathematics and Science Education Act in beginning the work of developing our mathematics and science teaching force. The Committee was guided by the results of evaluations of the Eisenhower Act, particularly in the concentration on creating sustained and intensive professional development activities. The Committee stresses that strengthening mathematics and science teaching is an effort that will be sustained under this legislation. The bill requests that state and local educational agencies maintain funding for math and science professional development.

The Committee bill addresses the major shortcomings of current professional development efforts and of the teaching force:

Gone will be the sporadic, cursory, fragmented efforts at teacher training that are vulnerable to any budgetary constraint at the state and local levels. The program in this bill will support only intensive, long-term professional development.

It provides for the extensive involvement of teachers in fashioning and guiding professional development, a key to professionalizing teaching.

Integrated, comprehensive efforts will be funded. The legislation requires that states and localities develop comprehensive plans that integrate and align professional development activities with educational standards, and that are guided by the findings of needs assessments. Coordination among any available resources and programs will occur, including the full range of Federal, state, and local efforts.

Significant support is directed to creation of professional networks of teachers that will break down the isolation that presently leaves too many teachers facing their challenges alone, captive to the limits of their training and unaware of new knowledge about teaching and learning.

The program focuses on developing the capacity of educators to meet the educational needs of populations historically underserved in our educational system, including females, minorities, the disabled, those with limited English proficiency, and the economically disadvantaged.

Summary of the Program

National Programs

The program provides the Secretary of Education with 5 percent of the annual appropriation to support activities of national significance that must include providing seed money for efforts to expand the capacity to provide sustained and intensive high quality professional development; maintaining a national clearinghouse for science, mathematics, and technology education materials; supporting consortia that disseminate information and provide technical assistance on mathematics and science curricula, teaching methods, and assessment tools; and evaluating Eisenhower programs.

The Secretary is also permitted to use these funds for national clearinghouses in other core subject areas; development of curriculum aligned with national or state standards; professional development institutes focusing on the integration of content and pedagogy; training teachers in innovative ways to strengthen student learning through technology; local and national networks of educators; dissemination of standards in the core subject areas and related high quality professional development models; dissemination of high quality professional development activities to enable educators to meet the needs of underserved populations; the transfer of teacher and administrators licenses and certification among states and localities; and support for the National Board for Professional Teaching Standards.

The Secretary must coordinate these national level activities with appropriate Federal agencies, including the National Science Foundation and the National Endowments for the Humanities and the Art.

State and Local Allocations

Ninety-five percent of the annual appropriation for the program is for state and local activities. A total of 1 percent of the state and local portion is for BIA schools and the outlying areas. The remainder is allocated by formula to the states. At the state level, up to 5 percent is for administrative costs and up to 5 percent is for state-level activities. Of the remaining funds, 87 perent are distributed by formula to local school districts and 13 percent is awarded competitively to higher education institutions.

State Plan and Activities

An SEA's application for funds must include a comprehensive state plan to improve teaching and learning which is integrated with the state's Goals 2000 plan or, if the state does not have such a plan approved or under development, which is integrated with other state plans required by the Elementary and Secondary Education Act. The state teaching and learning plan must be developed with extensive teacher participation. Among other requirements, it must include an assessment of professional development and curriculum development needs at the state and local levels. A state application must also describe how its activities will be coordinated with other Federal and non-Federal funds and resources, and federally funded activities particularly those under Title I, Part A. A state must provide assurances that after July 1, 1998, each LEA in the state will be required to certify that each of its full time teachers is certified to teach in his or her assigned subject area. State certification awarded through alternative routes would be accepted under this requirement.

State-level activities may include such activities as: reforming state licensure for teachers and educators to align it with curriculum content standards and to guarantee that educators have the capacity to help students meet performance standards; developing performance assessments and peer review procedures for licensure; assisting in the creation of high-quality professional development and curricula in districts and schools, particularly in those receiving Title I assistance; supporting professional development networks on a state or regional basis; developing partnerships between schools or districts and higher education institutions to facilitate teachers' participation in intensive professional development in higher education institutions and prospective teachers' direct experience with schools; strengthening the capacity of teachers to apply educational technologies to their instruction; encouraging teachers to become involved in curriculum development and technical assistance; supporting professional development that enables teachers to provide historically underserved populations with the opportunity to meet performance standards; creating professional development efforts that bring greater numbers of minorities and other underrepresented groups into teaching the core subjects; developing high-quality curriculum aligned with state or local content and performance standards; and supporting incentives for teachers to attain certification by the National Board for Professional Teaching Standards.

Local Plan and Activities

To receive funding, a local educational agency (LEA) must apply, either individually or as part of a consortium of LEAs, to its state educational agency (SEA) at least every 3 years. This application is to be a part of the LEA's Goals 2000 application, if it has applied for systemic reform assistance under that legislation. An LEA must set performance indicators for the improvement of teaching and learning that will be achieved through professional development or curriculum development. An LEA's application must include an assessment of its professional development and curriculum development needs. It must also include the district's teaching and learning plan, developed with teachers of the core academic subjects. Among the required elements in the LEA's plan are a description of how math and science professional development funding will be maintained; a description of how programs in the core subject areas, particularly math and science, will address access to, and participation in, these subject areas by historically underrepresented groups; an assurance that once every 3 years, at a minimum, Eisenhower funded activities will be assessed against the LEA's performance indicators; and a description of how these programs will be coordinated with higher education activities, similar state and local activities, resources from various sources including business and private nonprofit organizations, and funds and activities from other Federal agencies. Professional development at the local level will succeed only if school districts are committed to providing sustained and intensive professional development support to teachers. The bill requires each LEA to meet at least 33 percent of the cost of any program supported with these funds. Among the ways authorized to meet this matching requirement are the provision of release time for teachers engaging in professional development or curriculum development funded under this legislation; the use in professional development activities of funds under the Title I, Part A program, the Safe and Drug Free Schools Program, the Bilingual Education Program, the Women's Educational Equity Program, the state systemic reform program under Goals 2000, and programs related to this legislation administered by other Federal agencies. The SEA may waive this matching requirement if the LEA can demonstrate that it cannot meet the requirement because of economic hardship and could not otherwise participate.

At the LEA level, at least 80 percent of the LEA funds is for professional development activities; up to 20 percent is for curriculum development. Authorized professional development activities must be linked to challenging state or local content and student performance standards; draw on recent research on teaching and student learning; include effective ways of meeting the educational needs of a diverse student population; feature strong academic content and pedagogy; be intensive enough and long enough to improve the actual classroom performance of teachers; and orient the school toward continual improvement.

The professional development activities may involve teams of teachers, administrators, and other staff; the provision of the time needed to participate in professional development offered by professional associations and other entities; follow up evaluation of whether the acquired knowledge and skills are being manifested in the classroom; development of partnerships between schools or districts and higher education institutions to facilitate teachers' participation in intensive professional development in higher education institutions and prospective teachers' direct experience with schools; support for professional networks that link teachers and permit information exchange on content and pedagogy advances; preparation of teachers to be more effective users of technology as an instructional tool; activities to ensure that underserved populations have an opportunity to meet state performance standards; activities to increase representation in the teaching force of minorities, the disabled, and females in core subject areas in which they are underrepresented; strategies to reward schools where a substantial portion of teachers achieve certification by the National Board for Professional Teaching Standards. With regard to the last activity, the Committee does not intend to reward schools that merely recruit from other schools those teachers who have been Board-certified. Rather, the incentives should be directed to schools that have provided a professional environment in which teachers acquire the skills and knowledge that enable them to meet Board requirements.

Curriculum development activities at the LEA level include, in addition to the actual development of high-quality curricula aligned with state or local standards, the purchase of curriculum materials essential to the LEA's teaching and learning improvement plan.

Higher Education Activities

In each participating state, the state higher education agency, in conjunction with the SEA, is to make competitive awards to higher education institutions and nonprofit organizations, such as museums and educational partnerships. To receive funds, eligible institutions and organizations must enter into an agreement with an LEA or consortium of LEAs to provide sustained and high-quality professional development. Further, the professional development activities must jointly involve the higher education institution's education school or department and its departments providing instruction in the specific disciplines being supported.

Funds at the higher education level will be used for sustained, high-quality professional development for teams of teachers or teams of teachers and administrators from individual schools or districts, and for such other professional development activities as supporting professional networks for teachers, preparing teachers to use and integrate technology into their pedagogy and practice, using technology to provide the professional development called for by this program, enabling teachers to provide underrepresented groups with the opportunity to meet state performance standards, drawing underrepresented groups into teaching, establishing professional development academies that link schools and higher education institutions in the provision of school-based professional development, and assisting LEAs in providing appropriate professional development.

Monitoring

The Committee expects the Secretary to monitor closely the experience and outcomes from this major professional development effort. To that end, the Committee bill requires each state to report every 3 years to the Secretary on progress toward state performance indicators, and requires the Secretary to report to the President and the Congress on effectiveness of this program. States are to receive reports from LEAs every 3 years about their progress toward their outcome performance indicators.

Funding

The FY 1995 authorization level for the program is $800 million; such sums as may be necessary are authorized for FY 1996 through FY 1999. This authorization level represents a substantial and necessary commitment by the Federal Government to the professional development efforts that must undergird national, state, and local educational reform.

"Title II, Part B, Subpart 1, Technology Education Assistance"

Background

Today's classrooms typically resemble their ancestors of 50 years ago. However, new technologies are making possible imaginative approaches to teaching traditional subjects and are motivating teachers and children to try new ways of information gathering and learning.

New learning tools have diverse objectives and effects. This diversity is due, in part, to the flexibility of interactive technologies. Computers help teach children to read, write, and compute. Telecommunications lets students in remote areas, who might otherwise be denied access take advanced classes in calculus, foreign language, and physics. Science students use computer-based measurement instruments, while their classmates use simulation to "participate" in politics and history. In some schools there is a computer in every classroom; in others laboratories with 20 or 30 terminals accommodate groups for anywhere from 20 minutes to 2 hours per week. Some schools have adopted integrated curriculum packages with automated, individualized student monitoring, testing, and reporting, while others have opted for a more eclectic approach that leaves for greater autonomy for teachers' planning and implementation.

The Committee reported bill recognizes the importance of increasing student access to technology in schools. At the same time, the bill provides support to assist teachers to use technology in an effective manner that increases student learning.

Provisions of H.R. 6

H.R. 6 authorizes a new Title II, Subpart B, "Technology Education Assistance Act." This new initiative authorizes the Secretary of Education to make grants to states to strengthen the skills of educators and improve learning through the use of technology. Funds are to be distributed based upon the formula described in Part A of this title. 70 percent of a state's allotment shall be distributed to local educational agencies, while 20 percent shall be distributed to institutions of higher education. The state is to allocate 10 percent of its allotment to support literacy and library programs.

Local educational agencies receiving funds under this part are to support activities that improve the academic performance of students through technology and strengthen the skills of teachers in effectively utilizing technology for student learning. Institutions of higher education are authorized to carry out activities related to professional development of new teachers in the use of technology as an educational tool, as well as professional development for elementary and secondary, adult and family, and vocational school teachers to improve their ability to use educational technology in their teaching. The state is to also make grants to public libraries which demonstrate involvement with one or more local educational agencies and literacy programs to improve their performance. States and local educational agencies are to develop comprehensive plans. There are authorized to be appropriated $300 million for FY 1995.

"Title II, Part B, Subpart 2"

Software Development

This subpart authorizes the establishment of a venture capital fund to support the development of innovative educational software and other technology-based learning resources by partnerships between private industry and educational agencies.

This provision reflects recommendations made by the Office of Technology Assessment and other technology experts that there is a need for a modest federal investment in innovative technology applications. Although there are some outstanding products and resources on the market, there is a consensus that most of the available software does not exploit the full power of new technology to improve teaching and learning. There is an overemphasis on basic skills and "drill and kill" remedial work, for example. Moreover, few software products are available to support some key areas of the curriculum, like Social Studies and English.

The provisions of this subpart authorize the Secretary to test a variety of financial incentives, including loans and grants, to respond to this "quality gap" by supporting the development of innovative software and other products by partnerships between educators and industry.

"Title II, Part B, Subpart 3"

Star Schools

The Committee reported bill reauthorizes the Star Schools program. Changes in the Star Schools program would broaden the purpose of the projects to promote the use of distance learning strategies to help improve both teaching and learning. Priority would be given to supporting high-quality efforts to use distance learning to assist in achieving the National Education goals, provide instruction consistent with challenging state content standards, and support state and local reform efforts. The current focus on languages would be expanded to include English, history, geography and the arts. The Star Schools program is also expanded to support projects to serve single school districts, multidistrict regions, and single states.

"Title II, Part C, Library Media Program"

Elementary and secondary school libraries throughout the United States are dependent on collections purchased in the mid-1960s under the original Elementary and Secondary Education Act's dedicated funding. The ESEA has not included targeted funds for library materials since 1988 and, as a result, school library collections are deteriorating from use and informationally inadequate. For example, students at an Arizona school had to rely on a United States Constitution published in 1924, with a forward by then-President Calvin Coolidge. Other schools are stocked with title like "One Day Man Will Land on the Moon," and reference works that are a generation out of date. According to the American Association of School Libraries, the average copyright date of a book in school libraries nationwide is 1965.

The purpose of this section is to provide continued funding for elementary and secondary school library media program improvement, innovation and technological advancement. Good libraries help students develop important research and analytical skills that are essential to reaching the National Educational Goals.

"Title II, Part D, Federal Technical Assistance"

Background

Prior to this bill, the Department of Education did not have a systematic approach to providing assistance to states, local educational agencies, and schools in implementing programs and reforms supported by Federal law. The Department supports over 50 categorical centers, 49 of which provide assistance in Chapter 1, migrant education, bilingual education, drug-free schools, and Indian education. Each type of center is funded under a different authority with different missions, priorities and duties. Most are funded at less than $1 million each, have limited capacity to offer hands-on support to schools and have little opportunity to work with each other or with other Department-funded providers of assistance and applied research. A 1991 Inspector General's report was highly critical of the Department's approach to providing technical assistance, noting there was "no departmental plan to ensure adequate coordination." Further, there is little connection between research, application, and dissemination.

The inter-related problems faced by schools and the co-mingling of funds allowed under this bill require a much more integrated and cohesive approach to technical assistance, one which minimizes duplication and maximizes access to assistance. Currently, recipients of assistance are generally limited to those who are funded or served by a particular categorical program. For example, Chapter 1 program staff, who serve more limited English proficient students than are served under bilingual education, do not integrate the delivery of service with assistance from bilingual education technical assistance centers.

Provisions of H.R. 6

The Committee has worked closely with the administration and with the constituencies served by technical assistance centers to develop a cogent, integrated system for providing assistance to schools, local educational agencies, and states as they work to implement the key reforms of this bill. This is the first time the Department of Education will have in place a *system* of assistance designed to meet needs of schools and to help ensure elementary and secondary education programs are implemented with quality and care. Such a system reflects the spirit of this bill by coupling local flexibility with national accountability. It will be organized to assist schools as they grapple with integrating programs through schoolwide projects and coordination of a variety of services.

Part C of Title II authorizes a total of $70 million in 1995 and such sums as may be necessary for the years 1996, 1997, 1998, and 1999 to established a comprehensive technical assistance system. The system contain two key components—comprehensive assistance centers and state-based assistance through the National Diffusion Network—and links them together through the use of technology. No less than $25 million per fiscal year shall be allocated to the National Diffusion Network.

The Committee envisions a system of assistance and dissemination that both provides integrated services and continues to maintain expertise in areas crucial to the implementation of this bill including serving the special needs of limited English proficient students, migrant students, immigrant students, Indian students, and native Hawaiian and Alaskan students. The system also includes a strong state-based component through the National Diffusion Network.

The Committee bill authorizes 15 comprehensive assistance centers which will consolidate the work of 16 Title VII Multifunctional Resource Centers, 2 Title VII Evaluation Centers, 6 Chapter 1 Technical Assistance Centers, 10 Chapter 1 Rural Technical Assistance Centers, 3 Migrant Program Coordination Centers, 6 Indian

Education Technical Assistance Centers, and 5 Drug-Free Schools Regional Centers and provide expertise in all of these areas. All of these services are to be carried out in the context of systemic reform, providing assistance with curricula, instructional methods, and assessments to ensure that all students reach high standards. The new comprehensive centers may be organized as consortia to ensure that all required areas of expertise are brought together in one entity. The Committee is committed to ensuring that the new centers provide at least the same quality and level of service to limited English proficient, migrant, immigrant, and Indian students as do the current categorical centers. Indeed, the purpose of consolidating the categorical centers is to improve service to students who may be most at-risk of educational failure or further from reaching high content and performance standards.

The Committee's bill also makes assistance accessible to all schools by strengthening the role of the National Diffusion Network (NDN) State Facilitators and exemplary programs. Currently focused on disseminating information on effective programs, NDN would have an expanded role in this system to include assistance to states, school districts, and schools in assessing their technical assistance needs and securing services from the appropriate provider. NDN, with facilitators in each state, will serve as brokers between schools and all of the federally-funded providers of technical assistance including the regional educational laboratories, the Eisenhower Math and Science Regional consortia, the new comprehensive centers and others. NDN State Facilitators will help ensure that schools receive high quality, sustained assistance rather than merely receive a few faxes or phone calls. State Facilitators will continue to promote effective programs and assist local educational agencies and schools in choosing, adapting, and adopting such projects.

The NDN State Facilitators are intended to be authorized as an independent program, funded through this Act and administered through the Office of Educational Research and Improvement's Office of Reform and Dissemination Assistance. As an independent broker, NDN can draw on a range of effective technical assistance providers and disseminate information on and assist schools in the adaptation and adoption of promising programs from all offices of the Federal government. Because it is crucial for the NDN to function independently, the Committee agrees that grants and contracts for the State Facilitators should not be awarded to State Education Agencies.

The Committee bill continues the authorization of grants for the dissemination of effective practices, currently called Developer/Demonstrators. One aspect of a technical assistance system is the providers; another is the program, materials, or methods provided. Providing grants for effective practices ensures that exemplary model programs will be available for dissemination and supports on-going relationships between the exemplary programs and schools choosing to adopt them. Such a sustained relationship is another crucial source of high-quality technical assistance.

The entire technical assistance system gives priority service to schoolwide projects and local educational agencies with the students most at risk of educational failure.

Developing and implementing a technical assistance system will require diligence, creativity, and time. The Committee's bill provides for the extension of all grants and contracts for categorical centers and for the National Diffusion Network through 1995 for ensure a smooth transition to this new system.

"Title II, Part E, Innovative Education Program Strategies"

Background

The Innovative Education Program Strategies subpart, formerly Chapter 2 of the Elementary and Secretary Education Act, was first authorized by the Education Consolidation and Improvement Act of 1981. The goal of the program is to increase local flexibility and encourage innovation to improve elementary and secondary educational program.

Legislation

H.R. 6 modifies the former Chapter 2 program to redirect its focus to supporting education reform efforts. Specifically, the Act is directed at supporting activities which are consistent with state and local reform efforts developed under Goals 2000: Educate America Act. Funds authorized under this part may also be used to provide a continuing source of innovation and educational improvement.

"Title III, Part A, Fund for the Improvement of Education"

This program,, which consolidates a number of current programs supporting specific educational initiatives, authorizes the Secretary to fund a broad range of projects of national significance related to high standards and education reform. FIE replaces several discontinued education improvement programs including Blue Ribbon Schools, Comprehensive School Health Education, and Computer-based Instruction. Funds under this part could be used for systemic reform activities such as the development of standards and assessments; demonstration projects at the state and local level; joint activities with other agencies including projects on the transition from preschool to school and from school to work; the promotion or evaluation of mentoring projects; projects on environmental education, health education, or foreign language education; or any other project that the Secretary concludes is of national importance.

This authority allows the Secretary to support a broad range of programs related to high standard and systemic reform. These could range from mentoring at-risk students to environmental education. It is more flexible than current law which only funds specific educational approaches.

Given the growing national interest among educators and business organizations to establish cooperative mentoring programs, the great success of current mentoring programs, such as the New York State Mentoring Program, the Committee urges the Secretary to convene a national conference on mentoring with funds authorized under this part. Mentoring programs are an effective prevention strategy that help high-risk youth stay in school, be successful in their studies, and retain a positive outlook on life and their futures.

"Title III, Part B, Javits Gifted and Talented Children Program"

Background

The Javits Gifted and Talented Program was first authorized in 1988 to serve the special needs of exceptional children. Despite the gains made through the Javits program, a 1993 report by the Department of Education shows that gifted students are still underserved and not reaching their full potential in schools. According to this report, U.S. students score near the bottom among industrialized countries in math and science. When the top 1% of U.S. students were compared to a similar group of students in 13 countries, they scored 13th in biology and algebra and 12th in geometry and calculus. In addition, gifted students are often not challenged by the regular school curriculum. A large national survey showed that, without a gifted and talented program, most teachers gave the same assignments to both gifted and average students almost all of the time.

Identifying ways to adapt these programs for broader use serves to improve teaching and learning for all students. Unfortunately, innovative gifted and talented programs are currently under-utilized in regular classrooms. The Department of Education report on the Javits programs states that "programs for gifted and talented students have served as laboratories of innovation, however, few of these approaches have made their way into the regular classrooms."

The public is strongly in favor of providing additional educational opportunities for students with special talents. A 1992 Gallop poll found 61% of respondents thought schools should do more for gifted students, 35% said school should continue to provide their current level of services, and only 2% said that schools should do less.

Provisions of H.R. 6

The purpose of this part is to maintain the focus of the Javits program on gifted students but also to encourage the adaptation of the gifted materials and methods for use by all students. This would allow innovative curricula developed through the Javits program to be shared more widely but also continue support for the development and implementation of programs specifically for exceptional children. This approach is in concurrence with the philosophical thrust of H.R. 6; while raising standards for all students, we must also raise the heights to which exceptional students may aspire. By making the programs and methods developed for gifted students available for adaption for and use by all students, many more children can benefit from the innovations developed through the Javits program.

Funds under this part may be used for grants for states, local educational agencies, organizations to support programs which identify and meet the special educational needs of exceptional students.

Funds under the Committee's bill support model programs in gifted and talented education, professional development activities, and a national research center. The Secretary, who is charged with administering the program and selecting the grantees through a peer review, competitive process, must give priority to those programs which identify and serve gifted and talented students who may be overlooked by traditional assessment methods, including economically disadvantaged students, limited English proficient students, and individuals with disabilities among others.

"Title III, Part C, Public Charter Schools"

Background

Charter schools are an innovation for improving school and student performance by replacing rules-based governance with goals-based accountability. Public charter schools operate within the public school system but are released from most regulatory requirements in exchange for developing and implementing a plan to achieve better results in student learning. The charter school concept seeks to build a sense of personal responsibility and ownership into public education by fostering schools created by teachers, parents, and other key stakeholders.

Provisions of H.R. 6

H.R. 6 authorizes the Secretary to make grants for up to 3 years to eligible entities for the planning and implementation of charter school designs. Applications may be for one charter school or for a cluster of charter schools, which may include a high school and its feeder elementary and middle schools. Funds may be used for up to 18 months for planning and program design and no more than 2 years for design implementation. Additional uses of funds include: developing new curriculum; refining desired educational outcomes; securing necessary training for teachers; and reaching out to parents and the community. Applications will be judged on the basis of quality and the degree of flexibility afforded by the state to the school, community support, and the likelihood that the school will meet its objectives. The state will be required to sign off on the school's application as evidence of its commitment to freeing the school from rules and regulations that would otherwise limit the flexible operation and management of the school. The provision stipulates that charter schools must operate consistent with state law, and they must be run through the LEA, and that the design must focus on improving student achievement.

"Title III, Part D, Arts in Education"

Background

In an era of funding constraints, arts programs have often been the first cut and the last restored in education budgets. However, recent research by Howard Gardner and others shows that children may possess multiple forms of intelligence and the art helps access and develop several of these. Work by C. Fowler and B. J. McMullan indicates that the arts involve many different modes of active learning, creating greater opportunities for teachers to engage students. In addition, the Goals 2000 Educate America Act includes the arts among the subjects in which all students should demonstrate competency.

Provisions of H.R. 6

The purpose of this program is to support states, LEAs, or public or private agencies to strengthen instruction in and improve student learning through the arts. The Department of Education's efforts are to be better coordinated with the efforts of other agencies and it will continue to support arts education programs offered by the Kennedy Center and by Very Special Arts.

The Committee amended this part to include the Community Arts Partnership Act. This Act authorizes the Secretary to award demonstration grants to Title I eligible local educational agencies in partnership with local cultural organizations and institutions of higher education to improve the educational performance of at-risk children and youth. The grants are designed to be seed money to leverage resources from community cultural institutions for the benefit of the LEAs.

Grants may be renewable for a maximum of five years. The Secretary must ensure that there is equitable geographic distribution and equitable distribution to both urban and rural areas which have a high proportion of at-risk children. The Secretary is required to disseminate information concerning successful models through the National Diffusion Network.

"Title III, Part E, Inexpensive Book Distribution Program"

Background

This program is designed to motivate children to read by providing free books and organizing activities that encourage reading. Reading is Fundamental, Inc. (RIF) a national nonprofit organization, is the sole contractor for this program and the vehicle through which the program purchases and distributes books to local projects. These local projects are administered by schools, public agencies and non-profit organizations and utilize thousands of volunteers. In funding new projects RIF gives priority to projects serving special needs populations, including low income children.

Provisions of H.R. 6

Part F of H.R. 6 authorizes the Secretary to enter into a contract with Reading is Fundamental (RIF) to support and promote programs, including the distribution of inexpensive books, that motivate children to read. The Committee's bill gives priority to new projects serving a significant number of disadvantaged children. The contractor enters into subcontracts with local private or public nonprofit organizations or agencies. The contractor also would provide technical assistance to these subcontractors.

"Title III, Part F, Civic Education"

The bill reauthorizes and expands, in part G of title III of ESEA, the Civic Education program with two components. The first component involves the continued development and dissemination of the very successful We the People . . . the Citizen and the Constitution program.

The second component provides assistance, primarily through statewide programs, to schools in the broader context of civics, government, and the law. Examples include: the values and principles which underlie our system of government; rights and responsibilities of citizenship, and encouragement to use non-violent means of conflict resolution such as arbitration, mediation, and negotiation. This component also provides for professional development of teachers and outside-the-classroom learning experiences for students.

Both components have the overriding purpose of helping students achieve high standards in civics and government and of helping the Nation reach the National Education Goals relating to student achievement and safe schools.

"Title III, Part G, Native Hawaiian Education"

Background

The Native Hawaiian Education Act was first established in 1988 to fulfill the U.S. Government's historical and legal obligation to the Native Hawaiian people incurred by its participation in the overthrow of the Hawaiian Monarch over 100 years ago. For over 70 years the Federal government has acknowledged its responsibility to the Native Hawaiians as Native Americans, by providing assistance for the improvement of their social and economic welfare. The Native Hawaiian Education Act is one of the several programs designed to uphold the United States' trust responsibility to indigenous people of Hawaii.

Provisions of H.R. 6

The Native Hawaiians Education Act consists of five programs: the Native Hawaiians Model Curriculum Implementation Project, the Native Hawaiian Family-Based Education Centers, the Native Hawaiian Higher Education Demonstration Program, the Native Hawaiian Gifted and Talented Program and the Native Hawaiian Special Education Program.

The Committee bill reauthorizes these programs with the exception of the Model Curriculum Implementation Project. The Federal commitment to this program has been phased out over the last several years. The bill also establishes the Native Hawaiian Language Immersion Project to support the revitalization of the Native Hawaiian Language through the public school system. In addition, the bill establishes a Native Hawaiian Education Council to coordinate activities among the five programs and advise the Department of Education and the Congress on the educational needs of the Native Hawaiians and the progress of the Native Hawaiian Education Act.

The bill also includes a new provision to the Higher Education Demonstration Project which prevents the limitation of scholarships to only those students who attend school in Hawaii.

"Title III, Part H, Allen J. Ellender Fellowship Program"

Background

The Ellender Fellowships program, administered by the Close-Up Foundation of Washington, D.C., provides financial aid to enable students and their teachers to participate in week-long seminars in Washington. A separate program is designed to increase understanding of the Federal government among older Americans and recent immigrants.

Provisions of H.R. 6

The Committee reported bill responds to recent evaluations of the programs. The Ellender program has been refocused to provide more opportunities for students, particularly low-income, to participate in the program.

"Title III, Part I, Territorial Education Improvement Program"

Results from the last two administered NAEP tests placed the outlying areas last in the nation in achievement scores. Reports from several other national education tests show that the students in these areas are sorely in need of assistance if they are to "catch up" with achievement levels on the mainland and be prepared to meet high standards.

The Territorial Education Improvement Program authorizes the Secretary to provide competitive grants to the outlying areas to fund innovative proposals which will enhance student learning, increase the standard of education and improve the performance levels of all students.

"Title IV, Safe and Drug-Free Schools and Communities"

Title IV reauthorizes the Drug-Free Schools and Communities Act of 1986 and expands its focus to assist State and local education agencies in attaining National Education Goal Six, which calls for the establishment of a safe, disciplined, and drug-free environment in all schools that is conducive to learning.

Findings and purpose

The findings and the statement of purpose is revised to incorporate references to Goals 2000: Educate America Act and National Education Goal Six which states that by the year 2000, all schools in America will be free of drugs and violence and offer a disciplined environment that is conducive to learning.

Current national statistics regarding the use of drugs and violence in our nations school paint a distressing picture. About 3 million thefts and violent crimes occur on or near a school campus each year, nearly 16,000 incidents per school day. About one in five high school students regularly carries a firearm, knife, razor, club or other weapon. Many of these students carry those weapons to school. The University of Michigan's Institute for Social Research released a study in early 1994 which reported that illicit drug use among American teenagers has increased in the past two years. More 8th, 10th and 12th graders are using marijuana, LSD, inhalants and stimulants. In testimony submitted to the Committee, Dr. Lloyd Johnston of the University of Michigan stated that by the 8th grade, 70% of youngsters having tried alcohol and 27% say they have been drunk at least once. Cigarettes have been tried by 44% of 8th graders but only 53% say they think there is great risk associated with being a pack-a-day smoker.

Drugs and violence are related in many ways. Some drugs affect the user in ways that make violence more likely. Some drugs users commit violent acts to get money to buy drugs. Violence is common in drug trafficking as a result of disagreements about transactions and because traffickers use violence as a way to gain competitive advantage.

Community-based programming

In addition to expanding the purpose of the programs funded under this title to incorporate violence prevention activities, the legislation strengthens the role of community-based agencies. Each local educational agency will be provided new resources to support community-based activities which complement and supplement their in-school programs.

Previously the State had been given this responsibility for awarding grants of this kind through the Governor's Fund program. Cuts in appropriations in fiscal year 1994 forced the Committee into making some important decisions about where to best invest increasingly scarce drug abuse prevention dollars. Governors can and do have a role to play in drug abuse prevention, but the Committee notes that there are other sources of Federal funds available to support these efforts. For example, the Governor retains 20 percent of the Substance Abuse Block Grant administered by the Department of Health and Human Services for exactly the same types of prevention activities previously authorized by the Drug-Free Schools and Communities Act. For schools however, this act is the only source of Federal funding to design and implement drug abuse and violence prevention activities.

In addition, the Committee feels that a "top-down approach" is not the best method of impacting local communities. When analyzing the grants given out by several states, the Committee noted that many recipients were not local, community-based organizations nor were they serving the areas most in need.

The legislation exempts states with independent agencies that administer the Governor's share of the Drug-Free Schools and Communities Act allocation.

Funding

The legislation authorizes the appropriation of $630 million for State grants under Part A in fiscal year 1995, and such sums as many be necessary for each of the fiscal years 1996 through 1999. Programs for the Insular areas, Indian youth and Native Hawaiians, and the national impact evaluation are funded under this part. National programs under Part B are authorized to be appropriated $25 million in fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999. In order to maximize the effectiveness of programs addressing the illegal use of alcohol, the Secretary is encouraged to consult with organizations that have developed effective programs opposing the illegal use of alcohol, including, where appropriate, producers and distributors of licensed beverages.

Applications

In order to improve accountability, states and LEAs will be required to assess needs, measure goals for drug and violence prevention programs, and describe how progress towards those goals will be assessed and publicly reported. The use of peer review or other methods of reviewing applications by SEAs is another new requirement which the Committee believes will improve the quality of applications and increase accountability.

State and Local Programs

The changes in the manner states are allocated their funds targets resources to where they are most needed. For the first time, SEAs will target funds to districts with the greatest need. Up to five LEAs or 10 percent of the LEAs in a State, whichever is greater, could be designated as high-need and states will distribute 30 percent of their LEA funding to those LEAs with the greatest needs. Factors to be considered in determining LEAs of greatest need are included. Many of them are the same criteria that were previously used to determine eligibility for emergency grants.

Of the funds targeted to LEAs of highest need, at least one quarter of those funds are to be distributed to rural areas wherever practicable. The Committee heard testimony at a field hearing in Chadron, Nebraska about the particular needs of rural areas in the area of drug prevention, notably with respect to alcohol and inhalants, and feels that this attempt to target funds to rural areas is important.

Local Drug and Violence Prevention Programs

Authorized activities

The legislation includes comprehensive health education as an authorized activity. The Committee is aware that in a number of states a comprehensive health education approach is the preferred method of providing programs to combat drug and alcohol abuse, tobacco use and violence. The Committee believes that institutionalizing drug and violence prevention is an important step to fight the chronic nature of this problem in our society. Integrating it into the health curriculum is one way to build an anti-drug, anti-violence component into the school curriculum in a way in which it will not be "bumped" by the societal problems which garner the most media attention at the moment.

A concern with the health effects of drug use is a primary motive which keeps young people away from drugs. This fact makes the health curriculum a particularly appropriate venue for the substance abuse prevention curriculum. Issues such as decision-making, self-respect, peer resistance training and a respect for one's body are all a necessary and appropriate foundation upon which explicitly anti-drug messages must rest. The Committee emphasizes its support for comprehensive school health education programs in which effective programs to combat drug and alcohol abuse, tobacco use and violence are conducted. The Committee does not intend to mandate or prohibit local discretion to adopt a comprehensive school health education approach under this section.

In conjunction with the addition of violence prevention activities, the Committee has authorized an LEA to use up to 33 percent of funds received under this section for minor remodeling to promote security and reduce the risk of violence (i.e., removing lockers, installing better lights, upgrading locks), acquiring and installing metal detectors and hiring security personnel. The Committee strongly believes that the educational component of the violence prevention programs should not suffer in order to provide for such construction and security features, so the legislation requires that LEAs provide a one-to-one funding match for such activities.

Finally, in an effort to strengthen the links between schools and communities, the funds that were previously administered by Governors are provided to LEAs to support the same kinds of activities. Of the funds given to an LEA, at least 21% must be used for community-based programming, either through grants or contracts. The Committee feels that LEAs have a better understanding of the needs of the community immediately surrounding a school, and that school programs will be reinforced if the surrounding community also has a program in place. Under this system, every community is assured of having community-based activities, and not just a handful, as is currently the case.

Evaluation and Reporting

A National Impact Evaluation is established to assess the impact of the Safe and Drug-Free Schools and Communities Act on youth, schools and communities.

"Title V, Part A, Magnet Schools Assistance Program"

Background

The Magnet Schools Assistance Program (MSAP) provides competitive grants to LEAs for magnet schools that are intended to reduce, eliminate, or prevent minority group isolation in elementary and secondary schools and to strengthen students' knowledge of academic or vocational subjects. In order to be eligible for a grant, an LEA must be participating in a court ordered or voluntary desegregation plan. Magnet schools or education centers provide a special curriculum intended to be attractive to substantial numbers of students of different races. In addition to providing funds to operate magnet programs designed to promote desegregation and student achievement, the MSAP can provide leverage to school districts in building local capacity to continue and expand the programs.

Provisions of H.R. 6

Title V, Part A of H.R. 6 reauthorizes the Magnet Schools Assistance Program and includes several amendments designed to promote innovative, long-lasting magnet programs that are more responsive to desegregation demands and education reform.

Provisions in H.R. 6 include: findings summarizing the accomplishments and improvements needs of the program; a purpose that retains current law, but links it to systemic education reform efforts; funding priorities emphasizing educational innovation, equitable access for students, and consistency with systemic education reform in addition to the existing emphasis priority given to schools with the greatest need for assistance; expansion of the use of funds to include making the magnet curriculum available students who are enrolled in the school, but not in the magnet program; a prohibition against using funds for transportation or for any activity that does not augment academic improvement, but lifts the prohibition against using consultants; allows for greater planning time; and requires grants to be awarded by June 1 of the applicable fiscal year.

"Title V, Part B, Equalization Assistance"

Title V, Part B authorizes $8 million in 1995 and such sums in the out years for a new grant program to provide technical and other assistance regarding school finance equity. This part authorizes the Secretary to make grants to, and enter into contracts and cooperative agreements with, SEAs and other public and private agencies, institutions, and organizations to provide technical assistance to SEAs and LEAs to assist them in achieving a greater degree of equity in the distribution of financial resources for education among LEAs in the State. Activities may include the establishment and operation of a center or centers for the provision of technical assistance to SEAs and LEAs; the convening of conferences on equalization of resources; and obtaining advice from experts in the field of school finance equalization. The provision also authorizes the Secretary to carry out applied research and analysis designed to further knowledge and understanding of methods to achieve greater equity in the distribution of financial resources among LEAs.

"Title V, Part C, Women's Educational Equity"

Background

The Women's Educational Equity Act (WEEA) was established in 1974 to promote the letter and spirit of Title IX, the Federal statute barring sex discrimination in federally-funded education programs. Since that time, WEEA has funded research, development, and dissemination of curricular materials, training programs, guidance and testing activities, and other projects to promote educational equity for women and girls.

Although women have made tremendous strides in education and the workplace since the enactment of WEEA in 1974, they have by no means achieved equity in either arena. Research shows that a pattern of gender inequity persists in school practices, even where discriminatory policies have been abolished. Studies show that:

Teachers pay less attention to girls than boys;

Girls lag in mathematics and science scores, and even those who do well in those subjects are not encouraged to choose math and science careers;

Some tests include biases against girls, hurting their chances for scholarships and college admissions;

Textbooks still ignore or stereotype women;

Vocational education programs continue to channel women into traditionally female-dominated jobs, which are low-skilled and low-paying; and

While women make up the majority of the teaching force, they are not well represented among the higher levels of the education bureaucracy.

Committed to eradicating gender inequities in our nation's schools, the Committee seeks to recapture the original intent of the Women's Educational Equity Act. WEEA has been severely neglected over the last decade, enduring deep budget cuts and proposed elimination by previous administrations.

Provisions of H.R. 6

The Committee bill retains the current WEEA grant program to develop and disseminate model programs, curricula, and materials to advance educational equity and establishes an implementation grant program to provide funds to school districts, community organizations and other entities to implement gender equity programs within local school systems.

The Committee believes that reform within the educational system begins at the local level. It is essential to assure that schools all across this country implement and integrate into their curriculum, policies, goals, programs and activities, initiatives to achieve educational equity for women and girls. For this reason the Committee places highest priority on the WEEA implementation grants.

The Committee bill also establishes a Special Assistant to the Secretary for Gender Equity within the Department of Education, to promote, coordinate, and evaluate gender equity policies and activities throughout all department programs and offices. Currently, gender equity programs of varying size exist in number of offices in the Department of Education. However, there is no mechanism to ensure communication or to evaluate progress among all gender equity programs. The Special Assistant to the Secretary for Gender Equity would help assure the promotion, coordination, implementation, and evaluation of gender equity activities within the Department of Education and work with other Federal agencies with jurisdiction over Federal education programs.

"Title VI, Indian Education"

The Committee has generally adopted the Administration proposal to encourage coordinating this program with others and to make it support the school improvement plans adopted under the Goals 2000 legislation. However, this program has a long and effective history of providing education to American Indians and Alaska Natives in "non-traditional" settings, such as urban or non-reservation based schools. It also provides services to students from non-federally recognized and terminated groups. Therefore, with respect to the basic grants to LEAs, the Committee decided to retain in the purposes and program sections specific authorization for special educational and culturally related academic activities. To strengthen this mandate, the Committee put in the statute the requirement for the local education agency, in concern with the parent Committee, to conduct a local assessment of the needs of Indian students and prioritize same. Where the parent Committee agrees the activities to be funded "blend" with the school-wide project developed under Title I of the Act, the funds could be commingled.

The Committee did not agree to the review and approval of applications by State agencies (which has never been a program requirement) or the funding of State Education agencies for the provision of Indian Divisions. These decisions were based upon the need to maintain local control and the limited resources of the program. However, the Committee did include a provision for State comment on the application. Also, the Committee decided not to revisit the issue of proof of eligibility at this time, though it agreed to allow

Bureau of Indian Affairs forms to be substituted, to reduce the paperwork involved.

Finally the Committee retained the Part related to demonstration projects and individual fellowships essentially as it is found in current statute. The Committee felt the Administration's proposals, particularly to end the Indian fellowship program and substitute institutional personnel development grants, were too racial. This program has worked well in the past and the Committee supports it. Additionally, the changes proposed by the Administration would have significantly decreased the access to the program for Indians associated with urban and non-federally recognized groups. The Committee did, however, accept the premise of a service requirement.

B.I.A. Provisions

Much progress has been made in the provision of education services through the Bureau of Indian Affairs since the Committee enacted the first statute to structure the Bureau's school system in 1978. Of particular note is the growth of the tribally controlled school movement and the increased graduation rates. More Indian students are now attending postsecondary institutions than ever before. However, the Committee continues to be concerned and disturbed by the Bureau's refusal to request adequate resources to support these educational efforts. This refusal has manifested itself in a number of ways, including statements and testimony designed to mislead the Congress regarding the amount needed.

For this reason, the Committee has taken three major actions with respect to the Bureau's education funding mechanism. Building off the panel established under the Goals 2000 bill, the standards currently used by the Bureau will be reviewed for adequacy, applicability to Indian students/culture and (consistent with tribal sovereignty) compatibility with public school standards in states in which schools are located. These will form the basis for future budgets.

The Committee has created within the B.I.A. Education Division a Budget capacity and computer capacity aimed at providing current and projected demographic information. Ultimately, this entity could take over Budget preparation over the life of this authorization.

However, in the meantime, and in an attempt to obtain objective information, the Committee mandates an outside entity prepare the B.I.A. budget based upon the current standards and the demographics of students and personnel. This report would be submitted directly to the Congress.

Finally, the Committee mandates a study on whether to retain the weighted student unit budget method (ISEP) or go to a program/school based budgeting system, with authority to shift to the program/school based system if this is determined to be preferable.

The Committee made relatively few changes to the remainder of the program, including provisions to fully implement past actions and making a number of technical and conforming changes.

Established in the 1950's, the Richfield Residential Hall in Sevier County, Utah, now serves as a high school (9th-12th grades) board-

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ing facility for 118 Navajo students from Arizona, Utah and New Mexico.

The Bureau of Indian Affairs supports the residential hall and used to pay the educational program costs for Navajo students attending local Sevier County public schools. In 1981, BIA shifted these program costs to the State of Utah. However, changes in Utah state law enacted in 1992 now require all out-of-state students to pay for public education received in Utah.

The bill authorizes the Bureau of Indian Affairs to continue supporting the Richfield Residential Hall for the benefit of the 118 Navajo children and to resume meeting their educational program costs with Indian School Equalization Program funds. Without this subsection, the BIA would be forced to close the residential hall and would incur significant closing costs.

"Title VII, Parts A, B, C, D and E, Bilingual Education"

Background

The need for quality bilingual education is growing. Given the changing demographics of our student population, where now one in seven children comes to school speaking a language other than English, the Committee intends to broaden the scope and extend the reach of Title VII assistance to education agencies, institutions of higher education, and non-profit community based organizations. The Committee acknowledges the importance of bilingual and bicultural students as the U.S. moves towards the global economy of the 21st century. The development of native language, in addition to the goals of teaching limited-English proficient students English and academic content, is vital to meeting the National Education Goals.

Provisions of H.R. 6

The Committee has chosen to reauthorize Title VII, the Bilingual Education Act, with the intent of promoting systemic change and to insure the inclusion of language-minority and limited-English proficient students in national education reform.

The Secretary is authorized to make four types of grants under Part A for the provision of bilingual education services. Program development and implementation grants may be used by schools to develop and implement new comprehensive preschool, elementary, or secondary bilingual education programs for limited-English proficient students. The Secretary may also award program enhancement grants to schools to carry out highly focused, innovative, locally designed projects to expand or enhance existing bilingual education or special alternative instructional programs. Third, the Secretary may make grant to applicants for whole-school programs designed to reform, restructure, and upgrade programs. Whole-school programs include activities such as upgrading in-service training for school staff and restructuring and improving instructional programs and curriculum. Fourth, the Secretary may make systemwide grants to local educational agencies to improve, reform, and upgrade relevant programs and operations. Title VII also extends activities previously authorized under the Elementary and Secondary Education Act including research and evaluation activities and bilingual education teacher training.

"Title VII, Part F, Emergency Immigrant Education Program"

Background

The Emergency Immigrant Education Program provides funds to states on a formula basis to assist local educational agencies that experience unexpectedly large increases in their student population due to immigration. Funds are used to provide high-quality instruction to immigrant children and youth, assist such children with their transition into American society, and to help them meet the same challenging State performance standards expected of all children and youth.

Provisions of H.R. 6

H.R. 6 maintains the formula grant structure of the Emergency Immigrant Education Program and makes the program part of title VII, the Bilingual Education Program. The bill contains provisions to simplify the distribution of state allocations, but maintains current law eligibility for local educational agencies. For the purposes of the act, "immigrant" is defined as a child who has not attended school in the United States for more than 2 full academic years. Once the appropriation for the program reaches $40 million, the bill allows states to retain 20% of their allocations to help meet the needs of areas with especially high immigrant populations as well as the more rural areas that do not automatically qualify for assistance, but increasingly find themselves addressing the needs of new populations. Uses of funds include: parent outreach and training; salaries of personnel; tutorials and career counseling; acquisition of curricular materials; and other related activities authorized by the Secretary.

"Title VIII, Impact Aid"

The bill reauthorizes Impact Aid as a new Title VIII of the Elementary and Secondary Education Act of 1965.

Section 8003 contains the reauthorization of the current law section 2 program, which compensates local educational agencies (LEAs) for the financial burden caused by the acquisition of otherwise taxable land by the federal government. Payments would be made very much as they are under current law with three differences. First, land the value of the federal law is assessed at its current value according to the highest and best use of any land which directly adjoins the federal land. Second, the Secretary is directed to reduce the amount of a payment by the amount of revenue which a local education agency receives in the prior fiscal year from activities on the federal land. It is the Committee's intent that payments from the Department of Defense to support the operation of so-called section 6 schools NOT be considered revenue for the purpose of the section 8003 offset. Third, an LEA's section 8003 payment may not exceed the difference between the amount that it is eligible to receive and the amount it is paid under section 8004(b).

Section 8004 provides for the reauthorization of the current law section 3 program with the following features—(1) payments are based upon a straightforward student weighting system rather than the overly complicated "a" and "b" categories, subcategories, etc., in current law; (2) distribution of section 8004(b) funding is based upon need when appropriations are insufficient to fund full payments; (3) So-called civilian "b" payments (i.e., payments on behalf of children whose civilian parents either live or work on federal property) are eliminated; (4) additional funding is provided to very large LEAs with very high numbers of federally connected children; (5) authorization of appropriations and formula payments to LEAs for federally-connected children with disabilities are provided separately; and (6) a separate authorization of appropriations for additional assistance to heavily impacted LEAs (i.e., coterminous LEAs, so-called 3(d)(2)(B) LEAs, and certain high cost/low wealth LEAs) is included.

There are a number of school districts that have high proportions of federally connected children with disabilities because the adjacent military bases have very good medical facilities and reputations within the military community for being "compassionate posts". These children are more expensive to educate but, under current law, a $1.00 increase in payments on behalf of disabled children requires a $15.00 increase in the funding of section 3 payments. The separate authorization of appropriations and payments is designed to give the Congress the flexibility to increase funding for these payments without tying such increases in the overall funding of Impact Aid.

With regard to the newly authorized additional payments for heavily impacted LEAs, the Committee expects the Department of Education to annually provide specific information to the Congress, in accompaniment with the President's Budget, on the number of eligible LEAs and the amount necessary to adequately fund section 8004(f).

Section 8014 of title VIII requires the Department of Defense to annually transfer funding to the Department of Education for the purpose of paying the cost of Impact Aid payments associated with military connected children. The Committee has for some time been concerned with the substantial underfunding of the Impact Aid program. While the changes proposed in this reauthorization will help remedy the situation, the fact remains that the Department of Defense provides for the basic needs of military personnel and dependents, including housing and health care, and should also contribute to the payments made to school districts impacted by military bases and activities for the education of children who are military dependents. The Committee estimates that this will require a transfer of not less than $360 million, based upon fiscal year 1994 appropriations, by the Secretary of Defense.

The Committee bill does not include the reauthorization of section 6(a) of P.L. 81–874, the Department of Defense program which funds the operation of schools where there are no tax revenues available from states or their subdivisions to pay for the public education of military connected children (commonly known as section 6 schools). The Committee supports the continued operation of these schools, but has left the authorization of these schools to the Armed Services Committee.

In relation to the term "intermediate sources of revenue" in the definition of "local contribution percentage," the Committee intends that revenues derived from real property taxes that are collected by counties for use by local education agencies within that county's boundaries are considered revenues from intermediate sources.

"Title IX, General Provisions"

The bill provides for a new title IX of ESEA which contains definitions, fiscal requirements, SEA and LEA application consolidation, and waivers.

The Committee recognizes the need for greater local flexibility in the administration of Federal education programs and supports the use waivers for the purpose of improving services and student performance. Administrative ease is not, in and of itself, a sufficient justification for a waiver of Federal requirements. Additionally, in order for Federal waivers to be granted, states must be willing to provide waivers of similar state requirements. Finally, reporting and monitoring of local uses of funds must include information regarding the progress of children for whom such Federal assistance is primarily intended.

"Title X, Coordinated Services Projects"

Title X of H.R. 6 is designed to encourage local educational agencies, individual schools, and consortia of schools to develop and implement coordinated services projects designed to provide students and their families, including foster children and their foster families, greater access to the health, social service, nutrition, and various other programs that enhance educational achievement.

This provision springs from the growing understanding that children's basic physical and emotional needs have to be met in order for them to take full advantage of reform in the classroom.

Successful model programs demonstrate that community partners working together can develop projects designed to meet the needs of the whole child in manner that is more beneficial for the student and more administratively efficient.

The provision allows eligible entities time to assess community needs and available services, develop partnerships with the appropriate public and private agencies, and develop a comprehensive implementation plan. Funds are authorized in title IX as a possible use of flexible funds under the Elementary and Secondary Education Act.

"Title XI, School Facilities Improvement"

H.R. 6 authorizes a low-interest Federal direct loan program for school construction, reconstruction, and renovation projects in poorer school districts. The Committee adopted a low-interest Federal direct loan program so that limited Federal aid dollars could leverage the maximum aid. Preliminary estimates from the Congressional Budget Office indicate that the program's $200 million authorization will make about $1 billion in loan principal available to borrowers.

According to recent studies, 1 in every 4 public school buildings in the U.S. is in inadequate condition, which not only can impede the ability of students to learn, but can pose a threat to their safety and well-being. The total cost of making needed replacements and renovations are estimated to exceed $100 billion. Financing such repairs is primarily the responsibility of states and local school districts, but limited Federal aid is warranted to support construction projects in those areas where the cost of such activities would otherwise be prohibitive.

This new program will help bring facility improvement within reach by lowering the school district's cost of borrowing. The Federal Government would subsidize interest so that the borrower would pay only 1.25% *below* the Federal cost of borrowing. The low-cost loans, which could be repaid over a 50-year period, combined with savings realized through operating renovated facilities, should make costly construction projects possible for many more districts.

To target the limited dollars, the loans will only be available to school districts eligible for concentration grants under title I of the ESEA—about 40 percent of all districts. In approving loan applications the Secretary will be required to consider the difficulty the applicant may have in securing affordable financing from other sources for the construction project, the threat the condition of the facility poses to the safety and well-being of students, and the need for construction based on the condition of the facility and its age.

This loan program is specifically modeled on a similar credit program for higher education facilities under Part C of title VII of the Higher Education Act.

"Title XII, Rural/Urban Education"

Rural Education

The Committee has included a new authorization aimed at helping our nation's rural and urban schools undertake school improvement initiatives.

Rural schools have an essential part to play in national school reform efforts. Sixty percent of our nation's public school districts are in rural areas. These rural school systems have a hard time recruiting and retaining teachers; their school facilities are aging and in need of repair; they are behind the curve in terms of telecommunications technology; and the academic performance of their students trails that of their counterparts in suburban school systems. In addition, 25 percent of America's rural school children live below the poverty line. Rural schools need help, and the new authorization adopted by the Committee hopefully will provide this help.

The Committee intends that this new authority be used to experiment with innovative ways to improve rural schools and to help rural school children learn more effectively. The Committee has no preconceived notion of any one, best way to help rural schools. Instead, it expects the Secretary of Education to fund programs that would examine a wide variety of approaches to improving rural schools, including approaches that would use innovative telecommunications technology. In addition, authority is included to involve higher education in rural school improvement activities. This involvement is absolutely essential to successful school reform. An active partnership between rural schools and colleges and universities close to them can truly help to make rural schools better.

The Committee has included authority to establish a National Commission on Rural Education because a better understanding is needed of the challenges facing rural school districts before a more comprehensive federal initiative in this area is undertaken. It is hoped that this Commission will provide the Congress and the Administration with a complete picture of the state of education in rural areas, and that it will look closely at existing federal education programs to determine which one help these schools and which ones could be altered to more effectively meet the needs of these schools. The Committee also anticipates that the Commission will develop legislative recommendations to accompany its report.

Part B of Title IV, Urban Education Assistance, recognizes that central city schools along with rural schools will face the greatest challenges in American education in attempting to meet the National Education Goals by the year 2000. The newly authorized demonstration grants will provide assistance to a number of central city school districts to demonstrate creative and replicable approaches for improving the performance of urban students in urban schools. Part B also authorizes a variety of research and evaluation initiatives to further develop and assess methods of improving urban education. The Augustus F. Hawkins National Commission on Urban Education, also authorized in the title, will focus national attention on the needs, problems, possible solutions, and the vast potential of a highly educated and productive urban student population.

The authorization of appropriations for the title has been established to allot half of the funding for urban education and half of the funding for rural education, in order to achieve progress in both of these critical sectors of the nation's education system.

TITLE II—AMENDMENTS TO THE GENERAL EDUCATION PROVISIONS ACT

Title II of the bill updates the provisions of the General Education Provisions Act (GEPA), eliminates obsolete or unneeded provisions, and included some new provisions. Of particular note is the section 211 redefinition of "applicable program" to include all programs administered by the Secretary of Education, meaning that general provisions such as the contingent extension of authorizations of appropriations, joint funding, and rulemaking will now uniformly apply to all programs in the Department of Education (ED).

Section 241 contains new authority permitting the Secretary to enter into joint funding arrangements with other federal agencies to fund and carry out interagency projects, consistent with the Acts from which funds are taken. Subsection (d) of this new section 430 of GEPA requires the Department to promptly notify congressional authorizing committees shortly after entering into joint arrangements to facilitate oversight of these new activities.

Finally, section 249 of the bill contains several amendments to part E (Enforcement) of the Act designed to improve the Department's interpretation and administration of the Act's audit provisions. The first amendment clarifies that the Department has the burden of establishing a prima facia case for the recovery of funds in a preliminary department decision and requires an analysis of the extent or proportionality of harm to an identified federal interest. The second amendment extends from 30 to 60 days the period of time that a grant or cooperative agreement recipient has to notify the Office of Administrative Law Judges that it desires to have a preliminary departmental decision reviewed. The third amendment prohibits ex parte contact between the Secretary and representatives of the parties involved in the review. The fourth amendment clarifies that, in order to be eligible for a grantback, the practices or procedures that must be corrected are those that led to a violation of law. The last amendment ensures that a recipient that seeks judicial review of a decision will still have an opportunity to seek a grantback.

TITLE III—AMENDMENTS TO OTHER ACTS

Part A, Amendments to IDEA

The bill, in title I, does not reauthorize the program for children with disabilities under the current Chapter 1 program. Title III-A of the bill amend the Individuals with Disabilities Education Act to ensure that the programs funded under the Chapter 1 program will be supported under IDEA.

Part B, Education for Homeless Children and Youth

Background

The Stewart B. McKinney Homeless Assistance Act requires that each state educational agency (SEA) ensure each child of a homeless individual and each homeless youth access to a free and appropriate education. Under the Act, SEAs are to gather data on the number and location of homeless children and youth in their state and develop a state plan for meeting the federal government guidelines. In addition, SEAs are to collaborate with local educational agencies (LEAs) in designing and implementing local programs which are consistent with their state plans.

The complexity of access, placement, transportation and instructional issues involved in educating the homeless population underscores the significant challenges confronting SEAs and LEAs. Because homeless children and youth, by definition, lack permanent shelter, and typically have limited access to adequate clothing, nutrition, and health services, their capacity to benefit from schooling is often impaired. It is clear, therefore, that providing an appropriate education to homeless children and youth is a significant SEA and LEA responsibility, one which must involve collaboration with other community organizations that are actively providing services to the homeless families and individuals.

Provisions of H.R. 6

The Committee reported bill reauthorizes programs for homeless children authorized under the Stewart B. McKinney Homeless Assistance Act. The legislation authorizes states to provide services to homeless children, including pre-school aged children, and homeless youth that enable them to enroll in, attend and succeed in school; establish or designate an Office of Coordinator of Education of Homeless Youth; and development and implementation of professional development programs for school personnel.

The Committee bill recognizes the special needs of homeless students and requires schools to provide services to homeless students comparable to services offered to other students in the school. Additionally, section 723 of the Committee reported bill authorizes local educational agencies to assist homeless parents with costs they may incur when obtaining birth certificates and other documentation needed for school enrollment. Schools should not, however, cover costs that they would normally assume for students who change schools and are not homeless.

Part C, Amendments to Impact Aid Statute

H.R. 6 extends and amends the construction program authorized under P.L. 81–815.

Part D, Amendments to Adult Education Act

H.R. 6 reauthorizes the National Writing Project (NWP), a collaborative higher education/public school initiative that provides inservice training to teachers in the area of writing. The Project has been honored by the American Association of Higher Education and the Carnegie Foundation for the Advancement of Teaching as "an outstanding and nationally significant example of how schools and colleges can collaborate to improve American education." One of the program's unique aspects is that it uses the peer teaching model—teachers who have developed successful methods for teaching writing sharing their knowledge with their peers. NWP is operating at 167 sites in over 44 states.

TITLE IV—NATIONAL EDUCATION STATISTICS

Title IV of the bill reauthorizes the National Center for Education Statistics (NCES) and the National Assessment of Educational Progress (NAEP) in a freestanding law, the "National Education Statistics Act of 1994."

In section 407, there is established an Advisory Council on Education Statistics which is charged with advising the Commissioner on NCES policies and standards, as well as on matters relating to NAEP. In order to ensure that the Advisory Council is able to provide quality advice on NAEP, the bill provides for a varied membership, including experts in educational measurement and members of the public, and a staff of its own. Having established these functions and capability in the Advisory Council, the Committee sees no need for further panels and therefore has not reauthorized the National Assessment Governing Board.

Section 411 continues NAEP much as it is in current law. State assessments are still to be conducted on a trial basis and thoroughly evaluated. The bill allows for the first time on a limited and trial basis, National Assessment test instruments to be used for assessing aggregate student achievement as the LEA level. The bill provides that this is to be "upon the request of a State educational agency or a local educational agency" and the Committee's intent is that while such use of NAEP may be requested by the LEA, the Commissioner should not approve an SEA request unless it is accompanied by written consent of the LEA.

The bill continues to authorize the development of NAEP achievement goals but has renamed them student performance goals, provides that they are to be developed through a national consensus approach by the Commissioner, with the advice of the Advisory Council, and that they are to be used on a trial basis until thoroughly evaluated and found to be reasonable, valid, and informative to the public.

TITLE V—MISCELLANEOUS

Title V of the bill requires the Secretary of Education to conduct a comprehensive study of how the Federal Government has assisted states in their efforts to reform education through the various education laws enacted during the 103d Congress.

OVERSIGHT STATEMENT

In compliance with clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, this report embodies the findings and recommendations of the Subcommittee on Elementary, Secondary, and Vocational Education, established pursuant to clause 4(a) of the rules of the Committee on Education and Labor. Pursuant to its ongoing oversight responsibilities, the Committee has determined that legislation should be enacted as set forth in H.R. 6.

INFLATIONARY IMPACT STATEMENT

In compliance with clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment into law of H.R. 6 will have little inflationary impact on prices and costs in the operation of the national economy. It is the judgement of the Committee that the inflationary impact of this legislation as a component of the Federal budget is negligible.

OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

In compliance with clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee states that no findings or recommendations of the Committee on Government Operations were submitted to the Committee.

COST OF THIS LEGISLATION

A. CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(l)(3) (B) and (C) of rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, it set forth as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 16, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 6 the Improving America's Schools Act of 1994, as ordered reported by the House Committee on Education and Labor on February 8, 1994. The cost estimate is based on draft legislative language provided by the committee.

The bill would affect direct spending and receipts and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES L. BLUM
(For Robert D. Reischauer, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 6.
2. Bill title: Improving America's Schools Act of 1994.
3. Bill status: As ordered reported by the House Committee on Education and Labor on February 8, 1994.
4. Bill purpose: To extend for five years the authorization of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
AUTHORIZATIONS OF APPROPRIATIONS					
Title I The Elementary and Secondary Education Act of 1965					
Untitled					
Local educational agency grants					
Estimated authorization of appropriations	7,400	7,660	7,807	8,014	8,229
Estimated outlays	888	5,944	7,437	7,786	7,994
Even Start					
Estimated authorization of appropriations	118	121	125	128	131
Estimated outlays	14	95	119	124	128
Education of migratory children					
Estimated authorization of appropriations	310	318	327	336	345
Estimated outlays	37	249	312	326	335
Education for neglected or delinquent youth					
Estimated authorization of appropriations	40	41	42	43	45
Estimated outlays	5	32	40	42	43
Capital expenses					
Estimated authorization of appropriations	41	43	44	45	46
Estimated outlays	5	33	42	44	45
School improvement					
Estimated authorization of appropriations	30	31	32	33	33
Estimated outlays	4	24	30	32	32
Federal activities—evaluations					
Estimated authorization of appropriations	9	9	10	10	10
Estimated outlays	4	9	9	10	10

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Federal activities—demonstrations of innovative practices and innovative elementary school transition projects:					
Estimated authorization of appropriations	20	21	21	22	22
Estimated outlays	2	16	20	21	22
Subtotal—untitled:					
Estimated authorization of appropriations	7,968	8,184	8,407	8,630	8,861
Estimated outlays	959	6,402	8,008	8,385	8,609
Improving teaching and learning:					
Dwight D. Eisenhower Professional Development Program:					
Estimated authorization of appropriations	800	822	844	866	890
Estimated outlays	96	643	804	842	864
Technology education assistance—assistance to State and local educational agencies:					
Estimated authorization of appropriations	300	308	317	325	334
Estimated outlays	36	241	302	316	324
Technology education assistance—research, development, and demonstrations of educational technology:					
Estimated authorization of appropriations	50	51	53	54	56
Estimated outlays	6	40	50	53	54
Technology education assistance—star schools:					
Estimated authorization of appropriations	26	27	28	29	30
Estimated outlays	3	21	27	28	29
Technology education assistance—educational technology product development:					
Estimated authorization of appropriations	50	51	53	54	56
Estimated outlays	6	40	50	53	54
Library Media Program:					
Estimated authorization of appropriations	200	205	211	217	222
Estimated outlays	24	161	201	210	216
Support and assistance for elementary and secondary education act programs:					
Estimated authorization of appropriations	70	72	74	76	78
Estimated outlays	30	66	73	75	77
Subtotal—improving teaching and learning:					
Estimated authorization of appropriations	1,497	1,537	1,579	1,621	1,664
Estimated outlays	201	1,212	1,506	1,576	1,618
Expanding opportunities for learning:					
Funds for the improvement of education:					
Estimated authorization of appropriations	35	36	37	38	39
Estimated outlays	4	28	35	37	38
Innovative education program strategies:					
Estimated authorization of appropriations	435	447	459	471	484
Estimated outlays	52	349	437	458	470
Gifted and talented children:					
Estimated authorization of appropriations	10	10	11	11	11
Estimated outlays	1	8	10	11	11
Public charter schools:					
Estimated authorization of appropriations	15	15	16	16	17
Estimated outlays	2	12	15	16	16
Arts in education—support for arts in education:					
Estimated authorization of appropriations	11	11	12	12	12
Estimated outlays	1	9	11	12	12
Arts in education—community arts:					
Estimated authorization of appropriations	75	77	79	81	83
Estimated outlays	9	60	75	79	81
Inexpensive book distribution:					
Estimated authorization of appropriations	10	11	11	11	12
Estimated outlays	1	8	10	11	11
Civic Education Program:					
Estimated authorization of appropriations	15	15	16	16	17
Estimated outlays	2	12	15	16	16

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Native Hawaiian education:					
Estimated authorization of appropriations	15	15	16	16	17
Estimated outlays	2	12	15	16	16
Allen J. Ellender Fellowship Program:					
Estimated authorization of appropriations	4	4	5	5	5
Estimated outlays	1	3	4	4	5
Territorial Education Improvement Program:					
Estimated authorization of appropriations	5	5	5	5	5
Estimated outlays	1	4	5	5	5
Subtotal—Expanding opportunities for learning:					
Estimated authorization of appropriations	631	647	665	682	701
Estimated outlays	76	506	634	663	681
Safe and drug-free schools and communities:					
State grants for drug and violence prevention programs:					
Estimated authorization of appropriations	630	647	665	682	701
Estimated outlays	76	506	633	663	681
National programs:					
Estimated authorization of appropriations	25	26	26	27	28
Estimated outlays	3	20	25	26	27
Subtotal—Safe and drug-free schools and communities:					
Estimated authorization of appropriations	655	673	691	709	728
Estimated outlays	79	526	658	689	708
Magnet schools assistance:					
Promoting equity—Grants to magnet schools:					
Estimated authorization of appropriations	120	123	127	130	133
Estimated outlays	14	96	121	126	130
Equalization assistance:					
Estimated authorization of appropriations	8	8	8	9	9
Estimated outlays	1	6	8	8	9
Women's Educational Equity Act:					
Estimated authorization of appropriations	5	5	5	5	6
Estimated outlays	1	4	5	5	5
Subtotal—Magnet schools assistance:					
Estimated authorization of appropriations	133	137	140	144	148
Estimated outlays	16	107	134	140	144
Indian education:					
Grants to local educational agencies:					
Estimated authorization of appropriations	61	63	65	66	68
Estimated outlays	7	49	62	65	66
Special programs and projects for Indian children, Indian adults, and national activities:					
Estimated authorization of appropriations	21	22	22	23	23
Estimated outlays	3	17	21	22	23
Federal administration:					
Estimated authorization of appropriations	4	4	4	4	5
Estimated outlays	4	4	4	4	5
Bureau of Indian Affairs Programs—Early Childhood Development Program:					
Estimated authorization of appropriations	5	5	5	5	6
Estimated outlays	1	5	5	5	6
Bureau of Indian Affairs Programs—Tribal Department of Education:					
Estimated authorization of appropriations	2	2	2	2	2
Estimated outlays	1	2	2	2	2
Subtotal—Indian education:					
Estimated authorization of appropriations	93	96	98	101	104
Estimated outlays	15	77	94	98	101

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Bilingual education programs:					
Basic programs:					
Estimated authorization of appropriations	215	221	227	233	239
Estimated outlays	26	173	216	226	232
Emergency Immigrant Education Program:					
Estimated authorization of appropriations	40	41	42	43	45
Estimated outlays	5	32	40	42	43
Subtotal—bilingual education programs:					
Estimated authorization of appropriations	255	262	269	276	284
Estimated outlays	31	205	256	268	276
Impact aid:					
Payments for Federal acquisition of real property:					
Estimated authorization of appropriations	17	17	18	18	19
Estimated outlays	14	17	18	18	19
Basic payments:					
Estimated authorization of appropriations	426	437	449	461	473
Estimated outlays	349	426	447	458	471
Payments for children with disabilities:					
Estimated authorization of appropriations	45	46	48	49	50
Estimated outlays	37	45	47	49	50
Payments for heavily impacted local educational agencies:					
Estimated authorization of appropriations	42	43	44	46	47
Estimated outlays	34	42	44	45	47
Payments for increases in military children:					
Estimated authorization of appropriations	2	2	2	2	2
Estimated outlays	2	2	2	2	2
Facilities maintenance:					
Estimated authorization of appropriations	2	2	2	2	2
Estimated outlays	2	2	2	2	2
Subtotal—impact aid:					
Estimated authorization of appropriations	533	548	563	578	593
Estimated outlays	437	534	560	575	590
School Facilities Improvement Act:					
Estimated authorization of appropriations	200	205	211	217	222
Estimated outlays	0	120	183	208	214
Urban and rural education assistance:					
Rural school grants and urban education demonstration grants:					
Estimated authorization of appropriations	200	205	211	217	222
Estimated outlays	24	161	201	210	216
Rural higher education grants and urban research and evaluation grants:					
Estimated authorization of appropriations	50	51	53	54	56
Estimated outlays	6	40	50	53	54
National Commission on Rural Education and National Commission on Urban Education:					
Estimated authorization of appropriations	2	2	2	2	2
Estimated outlays	(1)	1	2	2	2
Evaluation:					
Estimated authorization of appropriations	(1)	(1)	(1)	(1)	(1)
Estimated outlays	(1)	(1)	(1)	(1)	(1)
Subtotal—Urban and rural education assistance:					
Estimated authorization of appropriations	252	259	266	273	280
Estimated outlays	30	202	252	265	272
Salaries and expenses:					
Estimated authorization of appropriations	16	17	17	18	19
Estimated outlays	11	16	17	18	19
Subtotal—Title I:					
Estimated authorization of appropriations	12,233	12,563	12,906	13,249	13,604

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Estimated outlays	1,854	9,907	12,303	12,885	13,229
Title III: Amendments to Other Acts					
Adult Education for the Homeless:					
Estimated authorization of appropriations	10	10	10	11	11
Estimated outlays	1	8	10	10	11
Education for homeless children and youth:					
Estimated authorization of appropriations	10	31	32	33	33
Estimated outlays	4	24	30	32	32
National Writing Project:					
Estimated authorization of appropations	10	10	11	11	11
Estimated outlays	1	8	10	11	11
Subtotal: Title III:					
Estimated authorization of appropriations	50	51	53	54	55
Estimated outlays	6	40	50	52	54
Title IV: National Education Statistics					
National Center for Education Statistics and National Assessment of Educational Progress:					
Estimated authorization of appropriations	103	106	109	112	115
Estimated outlays	44	97	107	110	113
Title V: Miscellaneous					
Study of Federal efforts to assist in school reform:					
Estimated authorization of appropriations	(1)	(1)	(1)	(1)	....
Estimated outlays	(1)	(1)	(1)	(1)	(1)
Total authorization of appropriations:					
Estimated authorization of appropriations	12,386	12,721	13,067	13,415	13,774
Estimated outlays	1,905	10,045	12,461	13,047	13,396
DIRECT SPENDING					
Estimated budget authority	(2)	(2)	(2)	(2)	(2)
Estimated outlays	(2)	(2)	(2)	(2)	(2)
Receipts	(2)	(2)	(2)	(2)	(2)

[1] Less than $500,000.

[2] CBO is uanble to estimate. Because the spending is limited by the amount received, however, the provisions would not increase the deficit over a number of years. It is possible that receipts in one year would lead to expenditures in subsequent years, thereby slightly increasing the deficit in any one year.

Note: Details may not add to totals because of rounding.

The costs of this bill fall within budget function 500.

Basis of estimate

H.R. 6, the Improving Americas Schools Act, extends the authorizations of appropriations of many existing programs and authorizes new programs that would provide assistance for elementary and secondary education. Except where noted, the bill authorizes specific amounts for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 to 1999. CBO estimates authorization levels in these later years by adjusting the 1995 level for projected inflation. Outlays are estimated by considering historical spending patterns of these and similar programs. Estimated outlays assume full appropriation of authorized amounts. Most of the programs authorized by the bill would be appropriated on a forward-funded basis; the 1995 appropriation is to be used for the 1995-1996 school year. Thus, estimated outlays are low in the first year. Exceptio to this estimating methodology are discussed below. CBO estimates that Title II has no cost.

TITLE I: AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Star schools

The Star Schools program under the Technology Education Assistance part of the Improving Teaching and Learning title is authorized at such sums as may be necessary for fiscal years 1995 to 1999. CBO projects the amount actually appropriated in 1994 for Star Schools, adjusted for projected inflation, as the amount authorized for appropriation each year for 1995–1999.

Indian education

Indian Education is provided through two agencies: The Department of Education and the Bureau of Indian Affairs in the Department of the Interior. Parts A through D of the Indian Education title reauthorize the Indian Education programs within the Department of Education. Part G updates the authorization language of the Bureau of Indian Affairs operations of schools. Appropriations for the Bureau of Indian Affairs education programs are permanently authorized at such sums as may be necessary by P.L. 65–85, (the Snyder Act). Therefore, the only new authorizations shown are those levels stated in the bill for Early Childhood Development Programs and Tribal Departments of Education.

School Facilities Improvement Act

This Act authorizes a new program to provide $1 billion in new loan capital for loans to local educational agencies (LEAs) with a high concentration of low-income students. These loans would be used for construction, reconstruction, or renovation of schools. Under the new law, borrowers would have up to 50 years to repay the loan. The interest rate would be 1.25 percentage points lower than the rate of interest paid by the Secretary on funds obtained from the Treasury. Under CBO's economic forecast, in 1995 this interest rate is estimated to be 5 percent.

Based on an examination of recent interest rates on tax-exempt bonds issued by similar cities and school districts to finance construction, and considering the interest subsidy resulting from a 5 percent interest rate on the loans, CBO estimates the federal subsidy rate to be 20 percent in 1995. Thus, to cover the cost of $1 billion of loans, $200 million would be required to be appropriated in fiscal year 1995. For later years this number is adjusted for projected inflation.

Urban and rural education assistance

Two National Commissions and certain evaluation activities are authorized at such sums as may be necessary for 1995 through 1999. Based on the costs of similar commissions and studies, CBO estimates that each commission would cost $800,000 a year and the evaluation activities would cost less than $500,000 a year.

Salaries and expenses

Title I of H.R. 6 requires a variety of new federal activities. Such activities include new councils, commissions, and studies that do not have specific authorizations of appropriations, and the creation of new offices or positions in federal agencies. By comparing the scope of newly authorized activities to existing activities of a similar scope, CBO estimates the cost of these activities to total $16 million in 1995.

TITLE III: AMENDMENTS TO OTHER ACTS

The Adult Education for the Homeless program is authorized at such sums as may be necessary for fiscal years 1995 to 1999. Because the authorized activities have not changed substantially, CBO estimates the authorization level to be the 1994 appropriation for Adult Education for the Homeless adjusted for projected inflation.

TITLE V: MISCELLANEOUS

This title authorizes a study of federal efforts to assist in school reform. Based on the cost of federal studies of this nature, CBO estimates that the cost of the study is less than $500,000 a year.

Direct spending and receipt provisions

Educational Technology Programs: H.R. 6 authorizes the Secretary of Education to require that a portion of any royalty paid as a result of assistance provided to eligible consortia under the Educational Technology Product Development section be deposited in a central fund. The offsetting receipts could be used to recover all or part of the federal share of developing, producing, or distributing the product or for any other activities authorized for Educational Technology Product Development.

Bilingual Education Programs: The bill allows the Evaluation Assistance Centers and Multifunctional Resources Centers authorized under the Bilingual Education Act to accept, use, and dispose of gifts, bequests, or devises of services or property in carrying out the activities of the National Clearinghouse on Bilingual Education, the Evaluation Assistance Centers, and the Multifunctional Resource Centers. The funds collected are considered revenues of the federal government.

National Center for Education Statistics: H.R. 6 also allows the National Center of Education Statistics to collect fees for statistical compilations and surveys to cover the cost of work and services. In the past, the Department has used the offsetting receipts to recoup costs of materials and services projects for outside requestors. It has spent the funds on related activities in the Center of Education Statistics.

Any royalties, gifts, or fees collected under these provisions are considered receipts to the federal government, and any outlays resulting from the collections are considered direct spending. In all three cases, CBO is unable to estimate the amount of such receipts and the resulting outlays. Because the spending is limited by the amount received, these provisions would not increase the deficit over a number of years. It is possible, however, that receipts in one year would lead to expenditures in subsequent years, thereby slightly increasing or decreasing the deficit in any one year.

6. Pay-as-you-go considerations: The pay-as-you-go effects of the bill are as follows.

[By fiscal years in millions of dollars]

	1995	1996	1997	1998
Outlays	(1)	(1)	(1)	(1)
Receipts	(1)	(1)	(1)	(1)

[1] Cannot be estimated.

7. Estimated cost to State and local Governments: H.R. 6 authorizes $10.9 billion for 1995 in formula grants to state and local governments. Under these programs, the Secretary of Education allocates funds based on the state's proportion of the national population of specific groups defined in the bill, such as children in poverty for Title I Basic Grants to local educational agencies (LEAs). Another $1.1 billion is authorized for competitive grants for which states and local governments are eligible, but other entities such as non-profit organizations or institutions of higher education often are also eligible.

Most of the grants in this bill for which states and local governments are eligible are entirely federally funded. A few, however, require non-federal funds which may be provided by state and local agencies and usually can be in cash or in kind. In some cases the Secretary can waive the matching requirement if the entity cannot meet it. The following programs include matching requirements:

Even Start: The federal share is 90 percent in the first year of the grant award and falls gradually each year to 50 percent in the fifth and following years.

Dwight D. Eisenhower Professional Development Program: Each local educational agency is to bear at least 33 percent of the cost of any program carried out by a local educational agency, except for the costs of services provided to private school teachers. This share of the program cost may come from another federal source.

Research Development and Demonstration of Educational Technology: The Secretary of Education is authorized to require each grant recipient to share in the cost of the project, and can determine the amount of the non-federal share.

Star Schools Program: The federal share of the cost of projects cannot exceed 75 percent in the first and second years, 60 percent in the third and fourth years, and 50 percent in the fifth year.

Community Arts: The federal share of the cost shall not exceed 80 percent of the cost of the program.

Inexpensive Book Distribution: The federal share of the cost shall not exceed 75 percent of the cost of the program.

Native Hawaiian Special Education Program: The non-federal share is to be $1 for every $6 of federal funds.

8. Estimate comparison: None.

9. Previous CBO estimate: None.

10. Estimate prepared by: Dorothy Rosenbaum.

11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

B. COMMITTEE ESTIMATE

With reference to the Statement required by clause 7(a)(1) of Rule XIII of the Rules of the House of Representatives, the Committee accepts the estimate prepared by the Congressional Budget Office.

EXCHANGE OF CORRESPONSENCE WITH THE HOUSE COMMITTEE ON ARMED SERVICES

An exchange of correspondence with the House Committee on Armed Services relative to the Impact Aid program is set forth below:

COMMITTEE ON EDUCATION AND LABOR,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 3, 1994.

Hon. RONALD V. DELLUMS,
Chairman, Committee on Armed Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As we discussed last evening, the Subcommittee on Elementary, Secondary, and Vocational Education adopted an amendment requiring that the payments for military-related children under the Impact Aid Program be provided by the Secretary of Defense. Mrs. Mink, from Hawaii, offered this amendment as the Subcommittee considered H.R. 6, a bill to extend the Elementary and Secondary Education Act (ESEA), the Impact Aid Program, and related Acts, during mark up Tuesday.

This letter is to respectfully request that your Committee waive a jurisdictional claim to consider that amendment in H.R. 6. We would very much appreciate your favorable consideration of this request since it will expedite passage of our legislation.

Mrs. Mink offered this amendment and the Subcommittee adopted it because of a feeling on our part that the responsibility for children of military and civilian personnel of the Department of Defense ought to be borne by that Department. We especially believe this is true now that the military is reassigning so many personnel as it closes bases and shifts responsibilities. The effect of these actions is to place very large burdens on school districts, and unfortunately the U.S. Department of Education has not been able to secure adequate appropriations to alleviate the old or the new burdens.

Further, the Committee on Education and Labor believes that the shift of this responsibility to the Defense Department will allow us to add money to the ESEA Title I formula. The formula adopted by the Subcommittee on Tuesday concentrates "new" dollars on schools with high levels of poverty.

Thank you again for your cooperation in this matter. We look forward to working with you in the future.

With kind regards,
Sincerely,

WILLIAM D. FORD, *Chairman.*

House of Representatives,
Committee on Armed Services,
Washington, DC, February 8, 1994.

Hon. William D. Ford,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

Dear Mr. Chairman: I am in receipt of your letter asking that the Committee on Armed Services waive any claim to referral of the bill, H.R. 6, that might result from provisions added to the bill during mark-up in your committee. In particular, I understand that the bill has been amended in subcommittee to include a provision directing the Secretary of Defense to transfer the total amount of funds needed to administer the Impact Aid program.

Please understand that several Members of the Armed Services Committee represent congressional districts that include school districts affected by the Impact Aid program, and they have a keen interest in this program. In addition, the Readiness Subcommittee is presently engaged in a thorough review of all DoD spending and perspectives on educational matters which they plan to address during consideration of the fiscal year 1994 budget.

A cursory polling of the Members show that they would not be agreeable to waiving jurisdiction over this issue given this long standing interest in this matter and the significant change to the funding structure of a major program this amendment provides without first careful analysis and consideration of the issue. For these reasons I find myself precluded from unilateral action on my part to granting your request and feel that this dictates that I bring this matter up formally before the Members of the committee.

I appreciate your effort to work cooperatively on this matter, and I am ready to work with you toward a resolution of this issue in a way that satisfies the concerns of both of our committees. I regret that the present circumstances preclude a more favorable reply. I look forward to talking to you personally on this matter.

Sincerely,

Ronald V. Dellums, *Chairman.*

Committee on Education and Labor,
House of Representatives,
Washington, DC, February 11, 1994.

Hon. Ronald V. Dellums,
Chairman, Committee on Armed Services, House of Representatives, Washington, DC.

Dear Mr. Chairman: Thank you for your letter of February 8, 1994, concerning the provision in H.R. 6, the Improving America's Schools Act of 1994, as ordered reported, which seeks to make the Department of Defense responsible for funding Impact Aid.

I acknowledge the jurisdictional interest of the Committee on Armed Services in this provision as evidenced by my letter to you of February 3. I do, however, continue to urge you to forego requesting sequential referral of the bill as that would necessarily delay its consideration in the House. I will be pleased to support a request that the Committee on Rules, in fashioning a rule for H.R. 6, provide that the provision in question be stricken prior to House consideration of the bill. In other words, the text before the House would not contain that language. In addition, it is my intention to seek a rule for consideration of the bill which permits all amendments otherwise in order under the Rules of the House, and affords no special status to any particular amendment. The only limitation on amendments I might request would be a preprinting requirement. Finally, our correspondence would be included in this Committee's report to acknowledge the Committee on Armed Services' jurisdictional claim.

Thank you for your consideration and cooperation.

With kind regards,

Sincerely,

WILLIAM D. FORD, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 15, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of February 11 asking that the Committee on Armed Services forego its request for sequential referral of H.R. 6, a bill which, as reported, includes a provision designed to make the Department of Defense responsible for funding the Impact Aid Program.

In recognition of your committee's desire to bring this legislation expeditiously before the House of Representatives, the Committee on Armed Services will not insist upon its claim to have H.R. 6 sequentially referred. However, this action is not to be interpreted as waiving this committee's jurisdiction over the provisions in question. This agreement is conditioned upon your promises to support a request to the Committee on Rules that the so called "Mink amendment" be removed from the bill that is to be considered by the House or the Committee of the Whole and to seek a rule that affords no special status or protection to this or any other amendment filed for preprinting. Moreover, in the event that the Mink amendment should be so filed and ultimately pass the House, this committee will seek to be appointed conferees for this and other provisions within its legislative jurisdiction during any House-Senate conference.

I appreciate your including our correspondence on this matter in your report on H.R. 6, and would further ask that it be included as a part of the record during consideration of this bill by the House.

Thank you for your cooperation and attention to this matter. I look forward to working with you during consideration of this legislation.

Sincerely,

RONALD V. DELLUMS, *Chairman.*

SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title of the bill and a table of contents.

Section 2 provides for the effective dates and transitions provisions.

Section 101 contains a completely rewritten Elementary and Secondary Education Act of 1965 (ESEA), with the following sections:

"Section 1 provides that this Act may be cited as the Elementary and Secondary Education Act of 1965.

"Section 1001 contains a declaration of policy and statement of purpose providing that title I is to help all children achieve state content and performance standards.

"Section 1002 contains 5 year authorizations of appropriations for programs and activities under title I of ESEA.

"Section 1111 contains provisions relating to the content, peer review, Secretarial approval, and duration of state plans under title I.

"Section 1112 contains provisions relating to the development, content, duration, and State approval of local educational agency (LEA) plans.

"Section 1113 provides that funds shall be used in school attendance areas with high concentrations of poor children and how the funds are to be allocated when appropriations are insufficient to serve all school attendance areas.

"Section 1114 contains provisions relating to the requirements and uses of funds for schoolwide programs.

"Section 1115 contains provisions relating to eligible children, programmatic requirements, and assignment of personnel in targeted assistance schools (i.e., for programs in targeted schools that are ineligible or choose not to operate schoolwide projects).

"Section 1116 contains provisions relating to school and LEA improvement, technical assistance, and corrective action.

"Section 1117 provides for the establishment by each State of a system of intensive and sustained support and improvement for all title I schools, including school support teams, distinguished schools and educators, and State alternatives.

"Section 1118 provides that an LEA may receive title I funds if it implements programs, activities, and procedures for the involvement of parents in title I programs, and includes specific provisions relating to LEA policies, school parental involvement plans, shared responsibility for high student performance, capacity building, and full participation of parents of LEP and disabled children.

"Section 1119 contains provisions relating to high-quality, sustained professional development that is designed by teachers and other school staff in title I schools.

"Section 1120 contains provisions relating to participation in title I of private school children, including the use of title I funds for capital expenses.

"Section 1121 delineates the fiscal requirements for state and local educational agencies that administer title I programs, including maintenance of effort, comparability of services, and supplement, not supplant.

"Section 1122 provides for the distribution of funds for the outlying areas and the Secretary of Interior.

"Section 1123 contains provisions relating to allocation of title I funds to states.

"Section 1124 contains provisions relating to allocation of title I basic grant funds to LEAs.

"Section 1124A contains provisions relating to allocation of title I concentration grant funds to LEAs.

"Section 1125 contains provisions relating to allocation of title I targeted grant funds to LEAs.

"Section 1126 contains provisions relating to special allocation procedures.

"Section 1127 contains provisions relating to the carryover of funds by LEAs which receive $50,000 or more of title I funds in a year.

"Section 1201 states the purpose of the Even Start Family Literacy program.

"Section 1202 provides the general program authority for Even Start.

"Section 1203 provides for a 5 percent state administration spending cap, and a $75,000 subgrant minimum.

"Section 1204 describes the permissible uses of Even Start funds.

"Section 1205 outlines the required elements of an Even Start program.

"Section 1206 describes eligible Even Start participants as parents who are eligible for services under the Adult Education Act or who are within the State's compulsory school attendance age range, and their children from birth through age 7.

"Section 1207 sets forth application requirements.

"Section 1208 describes the process for the award of subgrants.

"Section 1209 requires the Secretary to provide for an evaluation of the Even Start program.

"Section 1301 states the purpose of the education program for migratory children.

"Section 1302 provides the general program authorization for the education program for migratory children.

"Section 1303 describes how funds are allocated to states and Puerto Rico.

"Section 1304 sets forth state application requirements and the criterion for priority for services and continuation of services.

"Section 1305 provides for Secretarial approval and peer review.

"Section 1306 requires a comprehensive needs assessment and service-delivery plan and describes the authorized activities.

"Section 1307 authorizes the Secretary to bypass a State government in order to better provide services to migratory children in the State.

"Section 1308 authorizes the Secretary to make 5 year grants to improve interstate and intrastate coordination of migrant education programs.

"Section 1309 authorizes a distance learning program for migratory children.

"Section 1310 defines "local operating agency" and "migratory child".

"Section 1401 contains the findings, statement of purpose, and program authorization for a new Part D—Prevention and Intervention Services for Delinquent Youth and Youth Risk of Dropping Out.

"Section 1402 authorizes payments for programs authorized under part D, as well as costs of State administration.

"Section 1403 describes how allocations to states are determined.

"Section 1404 contains provisions relating to—(1) the content, peer review, Secretarial approval of State plans, and (2) applications submitted to SEAs by state agencies.

"Section 1405 contains provisions relating to the use of part D funds by state agencies, including a supplement, not supplant requirement.

"Section 1406 contains planning requirements for State agencies that wish to operate institution-wide projects in institutions for delinquent children.

"Section 1407 authorizes State agencies to operate projects for a period not to exceed 3 years.

"Section 1408 authorizes State agencies to reserve not more than 10 percent of their part D funds to support transition services.

"Section 1410 describes—(1) the criteria that state educational agencies use in making subgrants to LEAs, (2) the purpose of LEA programs, (3) the required contents of LEA applications, (4) the uses of funds by LEAs, (5) program requirements for correctional facilities which receive funds from LEAs, and (6) accountability requirements applicable to LEAs and juvenile facilities.

"Section 1411 requires each State agency or LEA that conducts a program to evaluate the program not less then once every 3 years.

"Section 1412 contains definitions of terms used in part D.

"Section 1501 provides for a national assessment of programs under title I, a longitudinal evaluation of title I, and a study of title I parental involvement.

"Section 1502 authorizes the Secretary—(1) to make grants to carry out demonstration projects that show promise of enabling title I children to meet challenging State standards, and (2) to work in partnership with SEAs, LEAs, and other agencies and organizations to improve the quality of teaching and learning in title I schools through the dissemination and use of research and knowledge about effective practices.

"Section 1503 requires the Secretary to provide financial assistance and technical assistance to LEAs to support innovative preschool-to-elementary school transition projects.

"Section 1601 contains State rulemaking requirements, a requirement that each State establish a Committee of Practitioners, a State administrative cost provision.

"Section 1602 directs the Secretary to publish a policy manual.

"Section 1603 contains provisions relating to state administration, including the role of the Committee of Practitioners.

"Section 2101 contains the findings for part A of title II, the Dwight D. Eisenhower Professional Development Program.

"Section 2102 describes the purposes of part A of title II.

"Section 2103 contains authorizations of appropriations for fiscal years 1995 through 1999.

"Section 2111 authorizes the Secretary to make grants to local educational agencies, institutions of higher education and other public and private agencies to develop and implement high-quality professional development activities.

"Section 2112 provides for activities to be carried out by the Secretary, including the development and maintenance of a national clearinghouse for science, mathematics and technology education materials.

"Section 2121 authorizes the Secretary to make grants to state educational agencies for professional development activities.

"Section 2122 describes the manner in which funds are distributed to states under this part.

"Section 2123 provides for certain reservations of funds and the minimum amount to be distributed to LEAs.

"Section 2124 contains content requirements for State plans.

"Section 2125 describes the activities the State must undertake to carry out the goals of the plan.

"Section 2126 contains provisions relating to local needs assessments and plans.

"Section 2127 provides that each local educational agency provide a 33 percent match in funds.

"Section 2128 provides that 80 percent of a local educational agency's funds shall be used professional development activities in individual schools; and 20 percent of the funds may be used for district level activities.

"Section 2129 provides for competitive grants to institutions of higher education.

"Section 2131 details reporting and accountability requirements.

"Section 2132 contains definitions of terms used in this part.

"Section 2201 sets out the short title of Subpart 1 of Part B—the Technology Education Assistance Act of 1994.

"Section 2202 contains the findings for Subpart 1.

"Section 2203 sets forth the statement of purpose.

"Section 2204 contains the definitions of terms.

"Section 2205 contains provisions relating to in-state apportionment.

"Section 2206 provides that a state's allotment shall be used to strengthen elementary and secondary programs and the use of funds and planning requirements applicable to local educational agencies.

"Section 2207 contains provisions relating to grants to, and use of funds by, institutions of higher education.

"Section 2208 provides for library and literacy programs.

"Section 2209 describes the contents and approval associated with state educational technology plans.

"Section 2210 describes the contents and approval of local educational technology plans.

"Section 2211 contains provisions relating to federal administration.

"Section 2212 describes the allocation of funds.

"Section 2213 authorizes appropriation for fiscal years 1995 through 1999.

"Section 2214 sets forth the findings and purposes for Subpart 2—Research, Development, and Demonstration of Educational Technology.

"Section 2215 provides for the establishment of an Office of Technology Education in the Department of Education.

"Section 2216 requires the Secretary to develop a national long-range plan.

"Section 2217 contains provisions relating to federal leadership.

"Section 2218 authorizes appropriations for fiscal years 1995 through 1999.

"Section 2219 sets forth the findings for the Star Schools Program.

"Section 2220 provides the statement of purpose for the Star Schools Program.

"Section 2221 authorizes the Star Schools Program.

"Section 2222 describes the eligible entities.

"Section 2223 sets forth application requirements.

"Section 2224 provides for leadership and evaluation activities.

"Section 2225 contains the definitions of terms use in this subpart.

"Section 2226 provides for educational technology product development.

"Section 2231 establishes the Elementary and Secondary Library Media Program.

"Section 2232 provides for allocation of funds to states.

"Section 2233 contains provisions relating to the content of state plan in applications for assistance.

"Section 2234 provides for distribution of funds to local educational agencies.

"Section 2235 authorizes appropriations for fiscal years 1995 through 1999.

"Section 2341 contains findings on the importance of high-quality, integrated and comprehensive technical assistance to ensure the implementation of this Act.

"Section 2342 explains the purpose of the part which is to create a National Technical Assistance and Dissemination System.

"Section 2343 authorizes 15 comprehensive assistance center, state-based assistance through the National Diffusion Network, and the use of technology to spread the availability of technical assistance.

"Section 2344 requires that each of the comprehensive centers maintain staff expertise in all of the areas covered under current categorical centers and reform efforts in this Act.

"Section 2345 describes the duties that will be carried out by each comprehensive center, including assistance with curriculum development, assessments, parental involvement, schoolwide projects, and professional development.

"Section 2346 directs the Secretary to maintain the current level of service for bilingual, migrant, immigrant, and Indian students in the context of the comprehensive assistance centers.

"Section 2347 defines the purpose and duties of the state-based National Diffusion Network.

"Section 2348 defines that program priorities as service to schoolwide projects and to the poorest local education agencies.

"Section 2349 authorizes technology-based technical assistance.

"Section 2350 provides for joint administration of this part between several offices in the Department of Education.

"Section 2351 authorizes appropriations to carry out this part for fiscal years 1995 through 1999.

"Section 2401 contains the findings and statement of purpose for the Innovative Education Program Strategies Program.

"Section 2402 authorizes appropriations for fiscal years 1995 through 1999.

"Section 2411 describes allotments for state and local programs.

"Section 2412 describes allocation of funds to local educational agencies.

"Section 2421 describes state uses of funds.

"Section 2423 contains provisions relating to state applications.

"Section 2431 contains provisions relating to local targeted assistance programs.

"Section 2432 describes state and local educational agency administrative authority.

"Section 2433 sets forth local application provisions.

"Section 2441 contains findings for 21st Century Learning Centers.

"Section 2442 authorizes local educational agencies to use part A funds to pay the federal share.

"Section 2443 describes allowable uses of funds.

"Section 2444 requires local educational agencies to provide certain types of information to state educational agencies.

"Section 2445 contains definitions of terms used in this subpart.

"Section 3201 authorizes the Fund for the Improvement of Education to support nationally significant programs and projects.

"Section 3301 contains the short title of Part B—the Jacob K. Javits Gifted and Talented Students Education Act of 1994.

"Section 3302 contains the findings and purposes concerning the education of gifted and talented students.

"Section 3303 contains the definitions for this part.

"Section 3304 authorizes the establishment of gifted and talented programs and of a national research center.

"Section 3305 identifies the program and service priorities.

"Section 3306 contains general provisions relating to the participation of private school children and for dissemination and evaluation of programs supported under this part.

"Section 3307 provides for the administration of this part.

"Section 3308 authorizes appropriations to carry out this part.

"Section 3401 describes the purpose of Part C—Public Charter Schools.

"Section 3402 authorizes the Secretary to make grants for the design and initial operation of charter schools.

"Section 3403 provides that an applicant must submit an application to the Secretary, describes the scope and required contents of applications, and requires approval of the application by the state educational agency.

"Section 3404 contains provisions relating to selection of grantees and waivers of requirements.

"Section 3405 describes the authorized uses of funds.

"Section 3406 permits the Secretary to reserve 10 percent of an appropriation for national activities.

"Section 3407 contains definitions of terms used in this part.

"Section 3408 authorized appropriations for fiscal years 1995 through 1999.

"Section 3501 contains the findings, purposes, eligible recipients, authorized activities, and funding authorization for the Arts in Education program.

"Section 3502 authorizes grants and establishes allowable activities under the Community Arts Partnership Act which provides funds for arts programs for at-risk youth.

"Section 3601 authorizes and establishes requirements for the Inexpensive Book Distribution Program.

"Section 3701 requires the Secretary to carry out the We the People . . . The Citizen and the Constitution program, authorizes the program content, and describes program participants.

"Section 3702 directs the Secretary to carry out a program providing instruction in civics, government, and the law, describes authorized activities, and contains provisions relating to applications and duration of grants.

"Section 3703 requires a biennial report to the Congress, authorized appropriations for fiscal years 1995 through 1999, and allocates appropriations among sections 3701 and 3702.

"Section 3801 contains the short title for Part G—the Native Hawaiian Education Act.

"Section 3802 contains findings on the history, culture and unique status of the Native Hawaiian people.

"Section 3803 provides that the purpose of this part is to develop educational materials and programs for Native Hawaiians.

"Section 3804 establishes a Native Hawaiian Education Council and defines its composition and duties.

"Section 3805 establishes the Native Hawaiian Language Immersion Project providing grants for educational services and curriculum development. This section also authorizes appropriations for fiscal years 1995 through 1999.

"Section 3806 establishes the Native Hawaiian Family-Based Education Centers and authorizes appropriations.

"Section 3807 provides grants for the Native Hawaiian Higher Education Demonstration Program for education fellowships, counseling and support services to Native Hawaiian students and authorizes appropriations.

"Section 3808 authorizes a Native Hawaiian Gifted and Talented Demonstration program which provides grants for a gifted and talented center and for services to Native Hawaiian students, and authorizes appropriations.

"Section 3809 authorizes the Native Hawaiian Special Education Program and appropriations to carry it out.

"Section 3810 contains administrative provisions and establishes requirements for applying for grants or contracts.

"Section 3811 provides definitions relating to this part.

"Section 3901 contains findings concerning the Ellender Fellowship Program and programs which prepare students for good citizenship.

"Section 3911 authorizes grants to the Close-Up Foundation for Ellender fellowships to economically disadvantaged middle and secondary school students.

"Section 3912 establishes requirements for applications for grants under this part.

"Section 3915 authorizes grants to the Close Up Foundation for assistance to teachers who participate in the Ellender program.

"Section 3916 establishes requirements for applications for grants under subpart 2.

"Section 3921 authorizes grants to the Close-Up Foundation for Ellender fellowships to economically disadvantaged older Americans, recent immigrants, and students of migrant parents.

"Section 3922 establishes requirements for applications for grants under subpart 3.

"Section 3925 contains administrative provisions relating to payments under this part and to access by GAO to grantee records.

"Section 3926 authorizes appropriations for fiscal years 1995 through 1999 and requires that no more than 30% of the appropriated funds be used for Ellender fellowships to teachers.

"Section 3931 contains the findings and purposes of the Territorial Education Improvement Program.

"Section 3932 authorizes the Secretary to make grants to the territories.

"Section 3933 provides for certain restrictions relating to construction and full use of funds.

"Section 3934 authorizes appropriations for fiscal years 1995 through 1999.

"Section 4001. Short title. This section contains the short title for Title IV.

"Section 4002. Findings. This section sets forth the findings for Title IV.

"Section 4003. Purpose. This section describes the purpose of this title.

"Section 4004. Funding. This section authorizes the appropriations of $630 million for Part A (State Grants) and $25 million for Part B (National Programs) for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999.

"PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

"Section 4101. Reservations and allotments. This section provides for the reservation of funds for drug and violence prevention programs under Part A: no less than one percent of the amount appropriated for the Insular Areas; no less than one percent of the amount appropriated for Indian youth (carried out by the Secretary of the Interior); and no less than .2 per cent for Native Hawaiians. It further requires the Secretary to reserve no more than $1 million each fiscal year from the amount appropriated for Part A to conduct the national impact evaluation.

"This section also provides for State allotments of funds appropriated for State programs under Part A. From one half of the amount remaining after the reservations of funds described above, the Secretary allocates to each State an amount based on the ratio between that State's school-aged population and the school-aged population in all the states, and from the remaining one-half of each year's appropriation for Part A, the Secretary allocate to each State an amount based on the ratio between the amount that State received under Chapter 1 for the preceding fiscal year and sum of such amounts received by all the states.

"Section 4102. State applications. This section specifies that in order to receive its allotment for any fiscal year, the State must submit to the Secretary an application that is integrated into the State's plan under Title III of the Goals 2000: Educate America Act, or other State plans under this Act. The required elements of this application are set forth in detail and include the results of the State's needs assessment for drug and violence prevention programs. The application must be developed in consultation with the Governor, and the heads of other State agencies.

"This section also delineates application requirements for programs administered by the SEA. Among these requirements are a statement of the SEA's measurable goals for drug and violence prevention, a description of the procedures for assessing and publicly reporting progress towards those goals, and a description of how the SEA will coordinate its activities with the drug and violence prevention efforts of other State agencies.

"Section 4103. State and Local Educational Agency Programs. This section requires that no more than 5 percent of the amount reserved for a State should be used for State-level activities. An SEA may carry out its activities directly, or through grants and contracts. The SEA may use no more than four percent of the amount reserved for a State for administrative costs to the SEA under this Part. The SEA is also required to directly administer all of the funds reserved to it directly, and may not enter into interagency agreements with any other entity of State government or State agency over which the Governor of the State exercises any control.

"This section also specifies that the SEA must distribute at least 92 percent of the amount reserved to it each fiscal year to LEAs. 70 percent is distributed based on relative enrollments and 30 percent must be distributed to the LEAs determined to have the greatest need. To the extent practicable, at least 25 percent of the amount going to the LEAs of greatest need, shall be distributed to LEAs in rural areas.

"Section 4104. Local Applications. This section sets forth the duties of the local or substate regional advisory council and the application requirements for LEAs. In reviewing applications under this section, a State educational agency will use a peer review process or other methods of assuring the quality of such applications. An SEA may disapprove an LEA application in whole or in part, and may withhold, limit or place restrictions on the use of funds allotted to an LEA. However, the LEA may appeal such disapproval.

"Section 4105. Local Drug and Violence Prevention Programs. This section directs the LEA to use funds received under this part to adopt and carry out comprehensive programs to meet National Education Goal Six by preventing violence in and around schools and by strengthening programs that prevent the illegal use of alcohol and other drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources.

"This section also requires an LEA to expend at least 21 percent of the funds it receives on grants or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and nonprofit organizations. Such grants or contracts shall support community-based drug abuse and violence prevention programs.

"Section 4106. Evaluation and Reporting. This section requires the Secretary to conduct an independent biennial evaluation of the national impact of programs under this part and submit a report of the findings of such evaluation to the President and the Congress.

"This section also requires the SEA to submit a report to the Secretary by October 1, 1997 and every third year thereafter on the implementation and outcomes of State and local programs, an assessment of their effectiveness, and the State's progress toward attaining its goals for drug and violence prevention. LEAs receiving funds under this part would submit reports at intervals required by the State.

"PART B—NATIONAL PROGRAMS

"Section 4201. Federal Activities. This section authorizes the Secretary, in consultation with the Secretary of Health and Human Services, the Director of National Drug Control Policy, and the Attorney General to carry out programs to prevent the illegal use of drugs and violence among, and promote the safety and discipline for students at all educational levels. The Secretary must use a peer review process in reviewing applications for funds under this section.

"Section 4202. Programs for Native Hawaiians. This section

* * *

"PART C—GENERAL PROVISIONS

"Section 4301. Definitions. This section contains definitions of terms used in this title.

"Section 4302. Materials. This section specifies that drug prevention programs under this title must convey a clear and consistent message that the illegal use of alcohol and other drugs is wrong and harmful.

"Section 4303. Prohibited Use of Funds. This section prohibits funds appropriated under this title to be used for construction, drug treatment or rehabilitation, psychiatric, psychological, or other medical treatment or rehabilitation (except for school-based counseling for students or school personnel who are victims or witnesses of school-related crime).

"Section 4304. Certification of Drug and Alcohol Abuse Prevention Programs. This section sets out the minimum requirements for programs to prevent the use of illicit drugs and alcohol by students and employees that an LEA must certify to the SEA has been adopted and implemented.

"Section 5105 contains findings for the Magnet Schools program, highlighting its accomplishments.

"Section 5102 provides that the purpose of the Magnet Schools program is to assist desegregation of school districts.

"Section 5103 authorizes grants to eligible LEAs for use in magnet schools that are part of an approved desegregation plan.

"Section 5104 defines "magnet school" to mean a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

"Section 5105 defines eligible LEA as one that is implementing a court ordered or voluntary desegregation plan.

"Section 5106 establishes application and program requirements emphasizing systemic education reform, access of minority and less high-achieving students to the programs, parental involvement, and equitable consideration of children residing in the attendance area of the proposed magnet school.

"Section 5107 provides grant priorities to applicants that propose educational innovation, equitable access for students, and consistency with systemic education reform.

"Section 5108 describes the authorized uses of funds.

"Section 5109 prohibits the use of funds for transportation or any activity that does not augment academic improvement.

"Section 5110 limits awards to 3 years, allows a greater percentage of funding to be used for planning, limits grants to no more than $4 million per grant cycle, and requires that, to the extent practicable, grants be awarded no later than June 1.

"Section 5111 authorizes appropriations for fiscal years 1995 through 1999 to carry out the purposes of the magnet schools program.

"Section 5201 authorizes federal technical assistance to SEAs and LEAs in their efforts to achieve greater equity in the distribution of financial resources for education.

"Section 5401 states the findings and purpose for the Women's Educational Equity Act (WEEA).

"Section 5302 provides the general program authorization for WEEA.

"Section 5303 authorizes the Secretary to make local implementation grants.

"Section 5304 authorizes the Secretary to make research and development grants.

"Section 5305 authorizes appropriations for fiscal years 1995 through 1999 to carry out the purposes of WEEA.

"Section 6001 contains findings for title VI.

"Section 6002 describes the purposes of this title.

"Section 6101 sets out the purposes of grants to local educational agencies.

"Section 6102 authorizes grants to local educational agencies.

"Section 6103 contains provisions relating to the amount of grants.

"Section 6104 contains the requirements relating to applications for assistance.

"Section 6105 describes authorized services and activities.

"Section 6106 details the information requirements relating to student eligibility forms.

"Section 6107 contains provisions relating to payments to LEAs.

"Section 6201 authorizes grants for improvement of educational opportunities for Indian children.

"Section 6202 authorizes grants for special educational training programs for the teachers of Indian children.

"Section 6203 authorizes fellowships for Indian students.

"Section 6204 authorizes grants to support activities for gifted and talented Indian students.

"Section 6301 authorizes grants to support demonstration projects to improve the education of Indian adults.

"Section 6401 authorizes national activities and grants to states.

"Section 6402 provides for State educational agency review of applications.

"Section 6501 establishes an Office of Indian Education in the Department of Education.

"Section 6502 establishes a National Advisory Council on Indian Education.

"Section 6503 provides for peer review of applications.

"Section 6504 provides for preference for Indians in applying for grants.

"Section 6505 establishes minimum grant criteria.

"Section 6601 contains definitions of terms used in this title.

"Section 6602 authorizes appropriations for fiscal years 1995 through 1999 to carry out title VI.

"Section 6701 provides for standards for basic education of Indian children in Bureau of Indian Affairs schools.

"Section 6702 requires the development of national criteria for boarding schools.

"Section 6703 references requirements in certain BIA regulations.

"Section 6704 establishes geographical attendance areas for Bureau schools.

"Section 6705 provides for grants for facilities construction.

"Section 6706 details bureau functions with respect to policy and program development.

"Section 6707 establishes a formula for determining funding levels necessary to maintain Bureau schools.

"Section 6708 provides for payment of administrative cost of grants.

"Section 6709 provides for budget preparation and submission activities to be carried out.

"Section 6710 provides for uniform direct funding and support of all Bureau-funded schools.

"Section 6711 establishes guidelines for Indian control of Indian education.

"Section 6712 provides for regulations to govern educational personnel.

"Section 6713 establishes within the BIA Department of Education a management information system.

"Section 6714 directs the Secretary of Interior to publish a set of education policies in the Federal Register within 180 days of the enactment of this Act.

"Section 6715 directs the Secretary to formulate uniform procedures and practices for BIA education.

"Section 6716 requires the Secretary to institute a policy for recruiting Indian educators.

"Section 6717 requires the Secretary to submit to Congress an annual report regarding Indian education.

"Section 6718 requires the Secretary to prescribe rules and regulations to ensure the constitutional and civil rights of Indian students attending Bureau schools.

"Section 6719 places in law certain regulations.

"Section 6720 contains definitions of terms used in this title.

"Section 6721 authorizes acceptance of voluntary services.

"Section 6722 allows for proration of pay of teachers in Bureau schools.

"Section 6723 authorizes the Secretary to provide a stipend for teachers to conduct activities related to school improvement.

"Section 6724 authorizes the Secretary to make grants to eligible entities for early childhood development programs.

"Section 6725 provides that the Secretary shall provide grants for the development and operation of tribal departments of education.

"Section 6726 provides for 2 payments to grantees.

"Section 7001 provides that this title may be cited as the "Bilingual Education Act."

"Section 7002 contains the findings, statement of policy, and statement of purpose for title VII.

"Section 7003 authorizes appropriations for fiscal years 1995 through 1999 to carry out title VII (except part F).

"Section 7004 contains definitions of terms used in this title.

"Section 7005 provides for services to Native Americans and Alaskan Natives.

"Section 7006 contains a definition of local educational agency for programs in Guam and the freely associated territories.

"Section 7101 authorizes the Secretary to make grants to local educational agencies, institutions of higher education, and community-based organizations to develop their capacity to provide services.

"Section 7102 authorizes the Secretary to make grants to develop and implement comprehensive bilingual programs.

"Section 7103 authorizes the Secretary to make grants to schools to enhance existing bilingual programs.

"Section 7104 authorizes the Secretary to grants to support whole-school programs.

"Section 7105 authorizes the Secretary to make grants to support system-wide improvement relating to the educational needs of limited-English proficient students.

"Section 7106 details the information to be provided in applications for grants.

"Section 7107 provides that grant recipients may undertake certain activities to intensify instruction for limited-English proficient students.

"Section 7108 provides that grants shall be used to develop the grantees capacity to continue on when federal funds are reduced or eliminated.

"Section 7109 provides that a local educational agency, with Secretarial approval, may make subgrants to institutions of higher education, non-profit organizations, or to consortia of such institutions and organizations.

"Section 7110 provides that funds shall be distributed in a manner which reflects the geographic distribution of limited-English-proficient children.

"Section 7111 provides for services to children in Puerto Rico.

"Section 7112 requires that recipients of funds under this title provide for evaluations every two years.

"Section 7201 authorizes the Secretary to conduct data collection, dissemination, research, and evaluation activities through the Office of Bilingual Education and Minority Language Affairs.

"Section 7202 authorizes the Secretary to provide research grants to institutions of higher education, local and state educational agencies.

"Section 7203 authorizes the Secretary to make grants to local educational agencies, institutions of higher education, and nonprofit organizations to promote the adoption and implementation of promising bilingual instructional programs.

"Section 7204 authorizes the Secretary to make grants to state educational agencies to assist local educational agencies with program design and capacity building.

"Section 7205 provides that the Secretary establish and maintain a national clearinghouse on bilingual education.

"Section 7206 authorizes the Secretary to award grants to develop instructional materials in Native American, Native Hawaiian, and other languages.

"Section 7207 provides for a one year extension of Evaluation Assistance Centers and Multifunctional Resource Centers.

"Section 7301 describes the purpose of part C, Bilingual Education Teacher Training.

"Section 7302 authorizes grants to support professional development activities for teachers in bilingual education programs.

"Section 7303 provides grants for individuals who wish to become bilingual education teachers.

"Section 7304 authorizes the Secretary to make grants to institutions of higher education to operate programs to upgrade the skills of non-degree bilingual teachers.

"Section 7305 provides fellowships for masters, doctoral and post-doctoral study in bilingual education.

"Section 7306 details information to be provided in fellowship applications.

"Section 7307 establishes program requirements.

"Section 7308 authorizes Secretary to provide stipends.

"Section 7309 provides for program evaluations.

"Section 7401 establishes in the Department of Education an Office of Bilingual Education and Minority Language Affairs.

"Section 7402 provides that the funds for professional development may be used to pay for release time.

"Section 7403 provides that funds may be used for educational technology.

"Section 7404 provides for notification of grants.

"Section 7405 provides for continued eligibility for subsequent grants.

"Section 7406 provides a limitation on the Secretary's authority.

"Section 7501 provides that any grant awarded before enactment of this Act shall be allowed to continue the term of the original award.

"Section 7601 describes the purpose of the Emergency Immigrant Education Program.

"Section 7602 provides for a 1.5 percent administrative cost allowance for state educational agencies.

"Section 7603 authorizes the Secretary to withhold further payments to a state because of failure to meet the requirements of this part.

"Section 7604 provides for state allocations and reallocations, determinations of numbers of children and youth, and reservations of funds by state educational agencies.

"Section 7605 describes the required contents of applications.

"Section 7606 requires the Secretary to make payments by June 1 and provides for services to children enrolled in nonpublic schools where an LEA is prohibited or unwilling to serve these children.

"Section 7607 describes uses of funds under this part.

"Section 7608 provides for triennial reports to the Secretary and to Congress.

"Section 7609 authorizes appropriations for fiscal years 1995 through 1999 to carry out part F.

"Section 8001 contains the findings for the Impact Aid program.

"Section 8002 delineates the purpose of the Impact Aid program.

"Section 8003 authorizes payments to compensate LEAs for the additional financial burden associated with federal ownership of substantial amounts of tax-exempt property and provides for how such payments are computed.

"Section 8004—(1) authorizes payments to LEAs to compensate for the burden of providing a free public education to certain types of federally-connected children, (2) determines the weighted student units used to compute the amounts to which eligible LEAs are entitled, (3) provides how payments are made when insufficient funds are appropriated, (4) provides for the use of prior year data, (5) provides how the funds for children with disabilities may be used by LEAs, provides for a 3 year declining hold harmless for LEAs with declining payments, and (6) requires the Secretary to reserve not less than 6 percent of the appropriation to carry out this section to provide special assistance to LEAs due to special circumstances.

"Section 8005 requires LEAs which claim children residing on Indian lands for the purpose of receiving funds to establish certain policies and procedures.

"Section 8006 contains provisions relating to application for payments under section 8003 and 8004.

"Section 8007 requires the Secretary to—(1) make payments to eligible LEAs for sudden and substantial increases in attendance of children who are military dependents, and (2) endeavor to establish with the Secretary of Defense a notification process relating to base closures and personnel adjustments.

"Section 8008 authorizes the Secretary to provide assistance for school facilities that were supported by the Secretary under section 10 of the Impact Aid construction law.

"Section 8009 prohibits a State from taking Impact Aid payments into account in determining the amount of State aid to be paid to LEAs that receive Impact Aid, unless that State has an equalization plan approved by the Secretary and describes the standard which State plans must meet.

"Section 8010 contains several provisions relating to Federal administration.

"Section 8011 contains provisions relating to administrative hearings and judicial review of Secretarial actions.

"Section 8012 contains definitions of terms used in title VIII.

"Section 8013 contains authorization of appropriations for fiscal years 1995 through 1999.

"Section 8014 requires the Secretary of Defense to annually transfer funds to the Secretary of Education to make payments under this title to LEAs for federally connected children associated with the military services.

"Section 9101 contains definitions of terms used in ESEA.

"Section 9102 provides that parts B through F of title IX do not apply to the Impact Aid program.

"Section 9103 provides that references to section 1471 of this Act as it existed prior to the enactment of the Improving America's Schools Act of 1994 shall be deemed to refer to this section.

"Section 9201 authorizes state educational agencies to consolidate the amounts administration under title I, part A of title II, and [part A of title IV], provides how these funds may be used, and authorizes the Secretary to periodically review the performance of SEAs in using consolidated administrative funds.

"Section 9202 provides that a State that also serves as an LEA shall in its applications or State plans under this Act describe how it will eliminate duplication in its administrative functions.

"Section 9203 authorizes LEAs, with the approval of its SEA, to consolidate certain funds for local administration and requires SEAs to establish procedures for responding to LEA requests to consolidate such funds.

"Section 9204 requires the Secretary to study and report to Congress on the consolidated uses of funds by SEAs and LEAs for administration of Indian Education Programs.

"Section 9205 requires the Secretary to transfer to the Secretary of the Interior amounts for consolidated administration.

"Section 9206 permits an LEA, with the approval of its SEA to—(1) use unneeded funds from one covered program (not to exceed 5 percent of the total) for the purpose of another covered program; or (2) use up to 5 percent of the amount it receives from all programs under ESEA for the establishment and implementation of a coordinated services project.

"Section 9301 describes the purpose of authorizing consolidated State and local applications.

"Section 9302 requires the Secretary to establish procedures and criteria under which states may submit consolidated applications.

"Section 9303 requires each SEA that submits an application or plan under this Act to have on file with the Secretary a single set of assurances and provides what those assurances include.

"Section 9304 authorizes LEAs to submit consolidated applications for more than one covered program to their SEAs, consistent with procedures established by the SEAs.

"Section 9305 requires any applicant (other than an SEA) under this Act shall have on file with the SEA a single set of assurances and provides what those assurances include.

"Section 9401 authorizes the Secretary to grant certain waivers of Federal statutory and regulatory requirements and specifies which requirements may not be waived.

"Section 9501 delineates a general maintenance of effort requirement for covered programs and provides that this requirement may be waived by the Secretary under certain specific circumstances.

"Section 9502 prohibits states from taking payments under this Act into consideration when determining the amount of State aid to which LEAs are eligible.

"Section 9503 sets out general provisions regarding the participation of private school children and teachers.

"Section 9504 allows, for the purpose of providing assistance to private school children and teachers, the Secretary to by-pass SEAs and LEAs that are prohibited by law from providing such assistance.

"Section 9505 requires the Secretary to develop and implement written procedures for receiving, investigating, and resolving complaints that an SEA or LEA is not properly permitting the participation of private school children and teachers.

"Section 9506 provides a process for review, determinations, and payments from state allotments relating to Secretarial by-pass under section 9504.

"Section 9507 prohibits the making of any payment under this Act for religious worship or instruction.

"Section 9601 prohibits an LEA from receiving assistance under this Act unless it has an expulsion policy, relating to students who bring guns to school, in effect.

"Section 10001 states the findings and purpose of coordinated services projects.

"Section 10002 defines "coordinated services project" and "eligible entity".

"Section 10003 contains provisions relating to the development and implementation of coordinated services projects.

"Section 10004 describes possible uses of funds under the title authorizing coordinated services projects.

"Section 10005 provides requirements for continuing authority to operate coordinated services projects.

"Section 10006 requires the appropriate Secretaries and the Attorney General to review programs administered by their agencies to identify barriers to service coordination and report to Congress recommending statutory and regulatory remedies.

"Section 11001 contains the findings for a new Title XI of ESEA—School Facilities Improvement Act.

"Section 11002 describes the purpose of this new title.

"Section 11003 describes the authority, amount, and conditions for loans.

"Section 11004 contains general provisions relating to budget and accounting, use of funds, legal powers, contracts for supplies or services, applicability of the Government Corporation Control Act, wage rates, and certain limitations.

"Section 11005 defines the term "school."

"Section 11006 authorizes appropriations for fiscal years 1995 through 1999 to carry out title XI.

"Section 12000 authorizes appropriation for fiscal years 1995 through 1999 to carry out this title.

"Section 12001 contains the findings for Urban education Demonstration Grants.

"Section 12002 sets forth the statement of purpose for this title.

"Section 12003 authorizes urban education demonstration grants.

"Section 12004 authorizes research and evaluation grants.

"Section 12005 describes authorized uses of funds.

"Section 12006 establishes a National Commission on Urban Education.

"Section 12007 authorizes the Secretary to evaluate programs and activities funded under this title.

"Section 12101 contains the findings for Rural Education Demonstration Grants.

"Section 12102 sets forth a statement of purpose.

"Section 12103 authorizes rural school grants.

"Section 12104 authorizes higher education grants.

"Section 12105 establishes a National Commission on Rural Education".

"Section 211 amends the title, applicability and definitions provisions of the General Education Provisions Act (GEPA).

"Section 212 repeals certain provisions from GEPA and redesignates many of the remaining provisions.

"Section 221 provides a new heading for part A of GEPA.

"Section 222 continues current law regarding the office of Nonpublic Education.

"Section 223 amends GEPA to provide updated general authority of the Secretary of Education.

"Section 224 requires coordination among certain panels.

"Section 230 replaces the current GEPA advance funding authority with forward funding authority.

"Section 231 makes minor changes to the GEPA provisions relating to availability of appropriations.

"Section 232 amends the GEPA provision regarding contingent extension of programs to update and clarify that provision.

"Section 233 amends GEPA to require states to provide biennially certain types of general information.

"Section 234 amends GEPA to change the Annual Evaluation Report required by current law to a biennial evaluation report and to eliminate certain unnecessary requirements.

"Section 235 contains a number of technical amendments to GEPA.

"Section 236 requires coordination among certain panels.

"Section 241 amends GEPA to give the Secretary authority to jointly fund programs and to require prompt congressional notification of joint funding arrangements.

"Section 242 amends GEPA to eliminate certain unnecessary requirements relating to the collection and dissemination of information.

"Section 243 amends the GEPA application review provisions to make minor corrections.

Section 244 contains a technical amendment to GEPA.

Section 245 rewrites and updates the current GEPA provision relating to the use of funds withheld.

Section 246 makes a minor change in a GEPA provision dealing with applications for assistance.

Section 247 updates the rulemaking provisions of GEPA.

Section 248 updates the GEPA provisions relating to retention of records and reduces the period of years that grantees must retain such records from five to three.

Section 249 amends the section of GEPA commonly cited as the Family Educational Rights and Privacy Act of 1974 to insert a new provision related to release of records.

Section 250 amends GEPA to insert new provisions regarding the protection of pupil rights.

Section 251 makes several amendments to audit and grantback provisions of GEPA.

Section 252 contains technical amendments to GEPA.

Section 253 amends GEPA to insert a new section 427 relating to equity for students, teachers, and other program beneficiaries.

Section 261 repeals section 414 of the Department of Education Organization Act and redesignates many of the remaining sections of that Act, amends the table of contents, and requires a Special Assistant for Gender Equity in the Department of Education.

Section 311 amends the Individuals with Disabilities Education Act to make certain changes in the section 611 allocations to states and LEAs.

Section 312 amends section 614 of IDEA to provide for treatment of Chapter 1 State agencies.

Section 313 amends IDEA to make certain changes in the provisions relating to infants and toddlers with disabilities.

Section 320 amends the table of contents of the Stewart B. McKinney Homeless Assistance Act.

Section 321 amends the Stewart B. McKinney Homeless Assistance Act with the following provisions:

"Section 701 authorizes the Secretary of Education to make grants to state educational agencies to implement literacy training for adults.".

Section 322 amends the Steward B. McKinney Homeless Assistance Act with the following provisions:

"Section 721 provides for the statement of policy.

"Section 722 authorizes grants for state and local activities for the education of homeless children and youth.

"Section 723 provides for grants to local educational agencies for the education of homeless children and youth.

"Section 724 requires certain responsibilities of the Secretary.

"Section 725 provides definitions for terms used in this Act.

"Section 726 authorizes appropriations for fiscal year 1995 through 1999 to carry out this subtitle of the Stewart B. McKinney Homeless Assistance Act.".

Section 331 amends the Impact Aid construction law (P.L. 81–815).

Section 332 repeals Public Law 81–874 (Impact Aid).

Section 335 amends the Adult Education Act by adding a reference to Even Start.

Section 341 amends the Education Council Act of 1991 to update and add to the findings for the National Writing Project.

Section 342 amends the National Writing Project provisions of the Education Council Act of 1991 to add new provisions relating to Federal share, evaluation, and research and development activities.

Section 401 provides that title IV of the bill may be cited as the National Education Statistics Act of 1994

Section 402 contains the findings, statement of purpose, and definitions for title IV of the bill.

Section 403 contains the provisions establishing the National Center for Education Statistics (NCES), including a requirement that NCES be headed by a Commissioner.

Section 404 delineates the duties of NCES.

Section 405 contains provisions relating to performance of duties by NCES.

Section 406 requires NCES to provide certain reports.

Section 407 establishes an Advisory Council on Education Statistics to advise the Commissioner on general NCES policies, statistical matters, and the National Assessment of Educational Progress (NAEP).

Section 408 sets forth confidentiality requirements relating to the collection, reporting, and publication of data.

Section 409 provides for the dissemination of information, including general requests, congressional requests, joint statistical projects, fees, and access to educational data.

Section 410 directs the Commissioner to establish one or more national cooperative education statistics systems for the purpose of producing and maintaining comparable and uniform education data.

Section 411 reauthorizes the National Assessment of Educational Progress, continues the state assessments on a trial basis, and provides that the Commissioner shall establish rigorous student performance goals related to NAEP.

Section 412 authorizes appropriations to carry out this title for fiscal years 1995 through 1999.

Section 501 directs the Secretary of Education to conduct a comprehensive study of how the federal government has assisted the states to reform their educational systems through the various laws enacted during the 103d Congress.

Section 502 sets forth a budget compliance provision.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "Elementary and Secondary Education Act of 1965".

[TITLE I—BASIC PROGRAMS

[CHAPTER 1—FINANCIAL ASSISTANCE TO MEET SPECIAL EDUCATIONAL NEEDS OF CHILDREN

[SEC. 1001. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

[(a) DECLARATION OF POLICY.—In recognition of—

[(1) the special educational needs of children of low-income families and the impact of concentrations of low-income families on the ability of local educational agencies to provide educational programs which meet such needs, and

[(2) the special educational needs of children of migrant parents, of Indian children, and of handicapped, neglected, and delinquent children,

the Congress declares it to be the policy of the United States to—

[(A) provide financial assistance to State and local educational agencies to meet the special needs of such educationally deprived children at the preschool, elementary, and secondary levels;

[(B) expand the program authorized by this chapter over the next 5 years by increasing funding for this chapter by at least $500,000,000 over baseline each fiscal year and thereby increasing the percentage of eligible children served in each fiscal year with the intent of serving all eligible children by fiscal year 1993; and

[(C) provide such assistance in a way which eliminates unnecessary administrative burden and paperwork and overly prescriptive regulations and provides flexibility to State and local educational agencies in making educational decisions.

[(b) STATEMENT OF PURPOSE.—The purpose of assistance under this chapter is to improve the educational opportunities of educationally deprived children by helping such children succeed in the regular program of the local educational agency, attain grade-level proficiency, and improve achievement in basic and more advanced skills. These purposes shall be accomplished through such means as supplemental education programs, schoolwide programs, and the increased involvement of parents in their children's education.

[PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

Subpart 1—Allocations

[SEC. 1005. BASIC GRANTS.

[(a) AMOUNT OF GRANTS.—

[(1) GRANTS FOR TERRITORIES.—There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 percent of the amount appropriated for such year for payments to States under this section. The amount appropriated pursuant to this paragraph shall be allotted by the Secretary (A) among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Secretary determines will best carry out the purposes of this chapter.

[(2) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

[(A) In any case in which the Secretary determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States.

[(B) In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Secretary.

[(C) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

[(i) the percentage determined under the preceding sentence; and

[(ii) 32 percent of the average per pupil expenditure in the United States.

[(3) COMPETITIVE GRANTS.—(A) From amounts appropriated for purposes of carrying out this section, the Secretary shall reserve an amount equal to the amount described in subparagraph (B) for purposes of making competitive grants to local educational agencies in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, Palau, the Federated States of Micronesia, and the Republic of the Marshall Islands. The Secretary shall make such grants according to the recommendations of the Pacific Regional Laboratory in Honolulu, Hawaii, which shall conduct a competition for such grants.

[(B) The amount described in this subparagraph is the portion of the aggregate amount reserved in the fiscal year 1989 under sections 1005(a), 1291, 1404, 1405(a)(2)(A), and 1405(a)(2)(B) for the Trust Territory of the Pacific Islands that was attributable to the Republic of the Marshall Islands and the Federated States of Micronesia.

[(C) Subject to subparagraph (D), grants awarded under this paragraph may only be used for—

[(i) activities consistent with the purposes of—

[(I) title I;

[(II) the Adult Education Act;

[(III) the Education of the Handicapped Act;

[(IV) the Library Services and Construction Act; or

[(V) the Dwight D. Eisenhower Mathematics and Science Education Act;

[(ii) teacher training;

[(iii) curriculum development;

[(iv) instructional materials; or

[(v) general school improvement and reform.

[(D) Grants awarded under this paragraph may only be used to provide direct educational services.

[(E) The Secretary shall provide 5 percent of amounts made available for grants under this paragraph to pay the administrative costs of the Pacific Regional Laboratory with respect to the program under this paragraph.

[(4) SPECIAL ALLOCATION PROCEDURES.—

[(A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Secretary, which does assume such responsibility, shall be eligible to receive such portion of the allocation.

[(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this chapter.

[(C) In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1006) directly to local educational agencies without regard to the counties or may continue to make such allocations if the agency had the authority to do so under chapter 1 of the Education Consolidation and Improvement Act of 1981. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that such allocations will be made using precisely the same factors for determining a grant as are used under this part and that a procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination.

[(5) DEFINITION.—For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

[(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if it meets the following requirements with respect to the number of children counted under subsection (c):

[(1) In any case (except as provided in paragraph (3)) in which the Secretary determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least 10.

[(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least 10.

[(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Secretary has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies or all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Secretary for the purposes of this subsection.

[(c) CHILDREN TO BE COUNTED.—

[(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

[(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A),

[(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and

[(C) the number of children aged 5 to 17, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to subpart 3 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

[(2) DETERMINATION OF NUMBER OF CHILDREN.—

[(A) For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census.

[(B) For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

[(C) When requested by the Secretary, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each county or school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

[(d) PROGRAM FOR INDIAN CHILDREN.—

[(1) From the amount allotted for payments to the Secretary of the Interior under the second sentence of subsection (a)(1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this chapter with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 percent of (A) the average per pupil expenditure in the State in which the agency is located, or (B) 120 percent of such expenditure in the United States, whichever is the greater.

[(2) The amount allotted for payments to the Secretary of the Interior under the second sentence of subsection (a)(1) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools for Indian children operated with Federal assistance or operated by the Department of the Interior. Such payment shall be made pursuant to an agreement between the Secretary and the Secretary of the Interior containing such assurances and terms as the Secretary determines will best achieve the purposes of this chapter. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of subpart 2 of this part and that the Department of the Interior will comply in all other respects with the requirements of this chapter, and (B) provision for carrying out the applicable provisions of subpart 2 of this part and part F. Such agreement shall consider a tribal organization operating a school under the Indian Self-Determination and Education

Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1987 as a local educational agency, and shall consider the Secretary of the Interior as a State or State educational agency for all purposes defining the authority of States or State educational agencies relative to local educational agencies. If, in the capacity as a State educational agency, the Secretary of the Interior promulgates regulations applicable to such tribal organizations, the Secretary shall comply with section 1451 of this Act and with section 553 of title 5 of the United States Code, relating to administrative procedure, and such regulations must be consistent with subsections (d) and (e) of section 1121, section 1130, and section 1133 of the Education Amendments of 1978.

[(e) STATE MINIMUM.—(1) For any fiscal year for which—

[(A) sums available for the purposes of this section exceed sums available under chapter 1 of the Education Consolidation and Improvement Act of 1981 for fiscal year 1988; and

[(B)(i) sums available for the purpose of section 1006 equal or exceed $400,000,000, or

[(ii) sums available for the purpose of section 1005 equal or exceed amounts appropriated for such purpose in fiscal year 1988 by $700,000,000,

the aggregate amount allotted for all local educational agencies within a State may not be less than one-quarter of 1 percent of the total amount available for such fiscal year under this section.

[(2) The provisions of paragraph (1) shall apply only if each State is allotted an amount which is not less than the payment made to each State under chapter 1 of the Education Consolidation and Improvement Act of 1981 for fiscal year 1988.

[(3)(A) No State shall, by reason of the application of the provisions of paragraph (1) of this subsection, be allotted more than—

[(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

[(ii) the amount calculated under subparagraph (B),

whichever is less.

[(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

[(i) the number of children in such State counted under subsection (c) in the fiscal year specified in subparagraph (A),

multiplied by

[(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

[(g) DURATION OF ASSISTANCE.—During the period beginning October 1, 1988, and ending September 30, 1993, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for grants made on the basis of entitlements created under this section.

[SEC. 1006. GRANTS FOR LOCAL EDUCATIONAL AGENCIES IN COUNTIES WITH ESPECIALLY HIGH CONCENTRATIONS OF CHILDREN FROM LOW-INCOME FAMILIES.

[(a) ELIGIBILITY FOR AND AMOUNT OF SPECIAL GRANTS.—

[(1)(A) Except as otherwise provided in this paragraph, each county, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, which is eligible for a grant under this chapter for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

[(i) the number of children counted under section 1005(c) of this chapter in the school district of local educational agencies in such county for the preceding fiscal year exceeds 6,500, or

[(ii) the number of children counted under section 1005(c) exceeds 15 percent of the total number of children aged five to seventeen, inclusive, in the school districts of local educational agencies in such county in that fiscal year.

[(B) Except as provided in subparagraph (C), no State described in subparagraph (A) shall receive less than—

[(i) one-quarter of 1 percent of the sums appropriated under subsection (c) of this section for such fiscal year; or

[(ii) $250,000,

whichever is higher.

[(C) No State shall, by reason of the application of the provisions of subparagraph (B)(i) of this paragraph, be allotted more than—

[(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

[(ii) the amount calculated under subparagraph (B),

whichever is less.

[(D) For the purpose of subparagraph (C), the amount for each State equals—

[(i) the number of children in such State counted for purposes of this section in the fiscal year specified in subparagraph (B),

multiplied by

[(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

[(2) For each county in which there are local educational agencies eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

[(A) the greater of—

[(i) the number of children in excess of 6,500 counted under section 1005(c) for the preceding fiscal year, in the school districts of local educational agencies of a county which qualifies on the basis of subparagraph (A) of paragraph (1); or

[(ii) the number of children counted under section 1005(c) for the preceding fiscal year in the school districts of local educational agencies in a county which qualifies on the basis of subparagraph (B) of paragraph (1); and

[(B) the quotient resulting from the division of the amount determined for those agencies under section 1005(a)(2) of this chapter for the fiscal year for which the determination is being made divided by the total number of children counted under section 1005(c) for that agency for the preceding fiscal year.

[(3) The amount of the additional grant to which an eligible county is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount reserved under subsection (c) for that fiscal year as the product determined under paragraph (2) for such county for that fiscal year bears to the sum of such products for all counties in the United States for that fiscal year.

[(4) For the purposes of this section, the Secretary shall determine the number of children counted under section 1005(c) for any county, and the total number of children aged five to seventeen, inclusive, in school districts of local educational agencies in such county, on the basis of the most recent satisfactory data available at the time the payment for such county is determined under section 1005.

[(5)(A) Pursuant to regulations established by the Secretary and except as provided in subparagraphs (B) and (C) and paragraph (6), funds allocated to counties under this part shall be allocated by the State educational agency only to those local educational agencies whose school districts lie (in whole or in part) within the county and which are determined by the State educational agency to meet the eligibility criteria of clauses (i) and (ii) of paragraph (1)(A). Such determination shall be made on the basis of the available poverty data which such State educational agency determines best reflect the current distribution in the local educational agency of low-income families consistent with the purposes of this chapter. The amount of funds under this part that each qualifying local educational agency receives shall be proportionate to the number or percentage of children from low-income families in the school districts of the local educational agency.

[(B) In counties where no local educational agency meets the criteria of clause (i) or (ii) of paragraph (1)(A), the State educational agency shall allocate such funds among the local educational agencies within such counties (in whole or in part) in rank order of their respective concentration and numbers of children from low-income families and in amounts which are consistent with the degree of concentration of poverty. Only local educational agencies with concentrations of poverty that exceed the county wide average of poverty shall receive any funds pursuant to the provisions of this subparagraph.

[(C) In States which receive the minimum grant amount under paragraph (1), the State educational agency shall allocate such funds among the local educational agencies in such State by either of the following methods:

[(i) in accordance with the provisions of subparagraphs (A) and (B) of this paragraph; or

[(ii) without regard to the counties in which such local educational agencies are located, in rank order of their respective concentration and numbers of children from low-income families and in amounts which are consistent with the degree of concentration of poverty, except that only those local educational agencies with concentrations of poverty that exceed the Statewide average of poverty shall receive any funds pursuant to the provisions of this clause.

[(6) A State may reserve not more than 2 percent of its allocation under this section for the purpose of making direct payments to local educational agencies that meet the criteria of clauses (i) and (ii) of paragraph (1)(A), but are otherwise ineligible.

[(b) PAYMENTS; USE OF FUNDS.—

[(1) The total amount which counties in a State are entitled to under this section for any fiscal year shall be added to the amount paid to that State under section 1401 for such year. From the amount paid to it under this section, the State shall distribute to local educational agencies in each county of the State the amount (if any) to which it is entitled under this section.

[(2) The amount paid to a local educational agency under this section shall be used by that agency for activities undertaken pursuant to its application submitted under section 1012 and shall be subject to the other requirements in subpart 2 of this part.

[(c) RESERVATION OF FUNDS.—

[(1) For any fiscal year for which amounts appropriated for part A of this chapter exceed $3,900,000,000, the amounts specified in paragraph (2) of this subsection shall be available to carry out this section.

[(2)(A) The first $400,000,000 in excess of $3,900,000,000 appropriated for part A of this chapter in any fiscal year shall be available to carry out this section.

[(B) Whenever the amounts appropriated for part A exceed $4,300,000,000 in any fiscal year, 10 percent of the amount appropriated for that fiscal year shall be available to carry out this section, except that no State shall, as a result of implementation of paragraph (2) of this subsection, receive less under section 1005 than it received for the previous fiscal year under such section or under section 554(a)(1)(A) of the Education Consolidation and Improvement Act of 1981.

[(d) RATABLE REDUCTION RULE.—If the sums available under subsection (c) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are entitled to receive under subsection (a) for such fiscal year, the maximum amounts which all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

[Subpart 2—Basic Program Requirements

[SEC. 1011. USES OF FUNDS.

[(a) PROGRAM DESCRIPTION.—

[(1) A local educational agency may use funds received under this part only for programs and projects which are designed to meet the special educational needs of educationally deprived children identified in accordance with section 1014 and which are included in an application for assistance approved by the State educational agency.

[(2) Such programs and projects under paragraph (1) may include preschool through secondary programs; the acquisition of equipment and instructional materials; books and school library resources; employment of special instructional personnel, school counselors, and other pupil services personnel; employment and training of education aides; payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools serving project areas; the training of teachers, librarians, other instructional and pupil services personnel, and, as appropriate, early childhood education professionals (including training in preparation for the implementation of programs and projects in a subsequent school year); the construction, where necessary, of school facilities; parental involvement activities under section 1016; planning for and evaluation of such programs and projects assisted under this chapter; and other expenditures authorized under this chapter.

[(3) State and local educational agencies are encouraged to develop programs to assist eligible children to improve their achievement in basic skills and more advanced skills and to consider year-round services and activities, including intensive summer school programs.

[(b) INNOVATION PROJECTS.—Subject to the approval of the State educational agency, a local educational agency may use not more than 5 percent of payments under this part for the costs of conducting innovative projects developed by the local educational agency that include only—

[(1) the continuation of services to children eligible for services in any preceding year for a period sufficient to maintain progress made during their eligibility;

[(2) the provision of continued services to eligible children transferred to ineligible areas or schools as part of a desegregation plan for a period not to exceed 2 years;

[(3) incentive payments to schools that have demonstrated significant progress and success in attaining the goals of this chapter;

[(4) training of chapter 1 and nonchapter 1 paid teachers and librarians with respect to the special educational needs of eligible children and integration of activities under this part into regular classroom programs;

[(5) programs to encourage innovative approaches to parental involvement or rewards to or expansion of exemplary parental involvement programs;

[(6) encouraging the involvement of community and private sector resources (including fiscal resources) in meeting the needs of eligible children; and

[(7) assistance by local educational agencies of schools identified under section 1021(b).

[SEC. 1012. ASSURANCES AND APPLICATIONS.

[(a) STATE EDUCATIONAL AGENCY ASSURANCES.—Any State desiring to participate under this chapter shall submit to the Secretary, through its State educational agency, assurances that the State educational agency—

[(1) will meet the requirements in section 435(b)(2) and (b)(5) of the General Education Provisions Act relating to fiscal control and fund accounting procedures;

[(2) will carry out the activities required under this chapter with regard to evaluation and school program improvement;

[(3) has on file a program improvement plan that meets the requirements of section 1020; and

[(4) will ensure that its local educational agencies and State agencies receiving funds under this chapter comply with all applicable statutory and regulatory provisions pertaining to this chapter.

Such assurances shall remain in effect for the duration of participation under this chapter.

[(b) LOCAL APPLICATIONS.—A local educational agency may receive a grant under this chapter for any fiscal year if it has on file with the State educational agency an application which describes the procedure to be used under section 1014(b) to assess students' needs and establish program goals, describes the programs and projects to be conducted with such assistance for a period of not more than 3 years, and describes the desired outcomes for eligible children, in terms of basic and more advanced skills that all children are expected to master, which will be used as the basis for evaluating the program or project as required by section 1019, and such application has been approved by the State educational agency and developed in consultation with teachers and parents.

[(c) LOCAL ASSURANCES.—Such application shall provide assurance that the programs and projects described—

[(1) are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting the special educational needs of the children being served, are designed and implemented in consultation with teachers (including early childhood education professionals and librarians when appropriate), and provide for parental involvement in accordance with section 1016;

[(2) make provision for services to educationally deprived children attending private elementary and secondary schools in accordance with section 1017;

[(3) allocate time and resources for frequent and regular coordination of the curriculum under this chapter with the regular instructional program; and

[(4) in the case of participating students who are also limited English proficient or are handicapped, provide maximum coordination between services provided under this chapter and services provided to address children's handicapping conditions or limited English proficiency, in order to increase program effectiveness, eliminate duplication, and reduce fragmentation of the students' programs.

[SEC. 1013. ELIGIBLE SCHOOLS.

[(a) GENERAL PROVISIONS.—

[(1) Subject to subsection (b), a local educational agency shall use funds received under this chapter in school attendance areas having high concentrations of children from low-income families (hereinafter referred to as "eligible school attendance areas"), and where funds under this chapter are insufficient to provide programs and projects for all educationally deprived children in eligible school attendance areas, a local educational agency shall annually rank its eligible school attendance areas from highest to lowest within each grade span grouping or for the entire local educational agency, according to relative degree of concentration of children from low-income families. A local educational agency may carry out a program or project assisted under this chapter in an eligible school attendance area only if it also carries out such program or project in all other eligible school attendance areas which are ranked higher under the first sentence of this paragraph.

[(2) The same measure of low income, which shall be chosen by the local educational agency on the basis of the best available data and which may be a composite of several indicators, shall be used with respect to all school attendance areas within a grade span grouping or for the entire local educational agency, both to identify the areas having high concentrations of children from low-income families and to determine the ranking of each area.

[(3) The requirements of this subsection shall not apply in the case of a local educational agency with a total enrollment of less than 1,000 children, but this paragraph does not relieve such an agency from the responsibility to serve eligible children according to the provisions of section 1014.

[(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—Notwithstanding subsection (a)(1) of this section, a local educational agency shall have discretion to identify and rank eligible attendance areas as follows:

[(1) A local educational agency may designate as eligible and serve all of its attendance areas within a grade span grouping or in the entire local educational agency if the percentage of children from low-income families in each attendance area of the agency is within 5 percentage points of the average percentage of such children within a grade span grouping or for the entire local educational agency.

[(2) A local educational agency may designate any school attendance area in which at least 25 percent of the children are from low-income families as an eligible school attendance area if the aggregate amount expended under this chapter and under a State program meeting the requirements of section 1018(d)(1)(B) in that fiscal year in each school attendance area of that agency eligible under subsection (a) in which projects assisted under this chapter were carried out in the preceding fiscal year equals or exceeds the amount expended from those sources in that area in such preceding fiscal year if such attendance areas qualify for such amounts under subsection (c)(1).

[(3) A local educational agency may, with the approval of the State educational agency, designate as eligible and serve school attendance areas with substantially higher numbers or percentages of educationally deprived children before school attendance areas with higher concentrations of children from low-income families, but this paragraph shall not permit the provision of services to more school attendance areas than could otherwise be served. A State educational agency shall approve such a proposal only if the State educational agency finds that the proposal will not substantially impair the delivery of deprived children from low-income families in project areas served by the local educational agency.

[(4) Funds received under this part may be used for educationally deprived children who are in a school which is not located in an eligible school attendance area when the proportion of children from low-income families in average daily attendance in such school is substantially equal to the proportion of such children in an eligible school attendance area of such agency.

[(5) If an eligible school attendance area or eligible school was so designated and served in accordance with subsection (a) in the immediately preceding fiscal year, it may continue to be so designated for the subsequent fiscal year even though it does not qualify as eligible under such subsection in such additional year.

[(6) With the approval of the State educational agency, eligible school attendance areas or eligible schools which have higher proportions or numbers of children from low-income families may be skipped if they are receiving, from non-Federal funds, services of the same nature and scope as would otherwise be provided under this part, except that (A) the number of children attending private elementary and secondary schools who receive services under this part shall be determined without regard to non-Federal compensatory education funds which serve eligible children in public elementary and secondary schools, and (B) children attending private elementary and secondary schools who receive assistance under this part shall be identified in accordance with this section and without regard to skipping public school attendance areas or schools under this paragraph.

[(c) ALLOCATIONS.—

[(1) Except as provided in paragraph (2), a local educational agency shall allocate funds under this part among project areas or schools on the basis of the number and needs of children to be served as determined in accordance with section 1014.

[(2) Children in eligible schools, who receive services under this part and subsequently become ineligible due to improved academic achievement attributable to such services, may continue to be considered eligible for 2 additional years only for the purpose of determining the allocation of funds among eligible schools under paragraph (1). Any funds so allocated shall be used to provide services to any children determined to be eligible under section 1014.

[SEC. 1014. ELIGIBLE CHILDREN.

[(a) GENERAL PROVISIONS.—

[(1) Except as provided in subsections (c) and (d) of this section and section 1015, a local educational agency shall use funds received under this part for educationally deprived children, identified in accordance with subsection (b) as having the greatest need for special assistance, in school attendance areas or schools satisfying the requirements of section 1013.

[(2) The eligible population for services under this part are—

[(A) those children up to age 21 who are entitled to a free public education through grade 12, and

[(B) those children who are not yet at a grade level where the local educational agency provides a free public education, yet are of an age at which they can benefit from an organized instructional program provided in a school or other educational setting.

[(b) Assessment of Educational Need.—A local educational agency may receive funds under this part only if it makes an assessment of educational needs each year to (1) identify educationally deprived children in all eligible attendance areas; (2) identify the general instructional areas on which the program will focus; (3) select those educationally deprived children who have the greatest need for special assistance, as identified on the basis of educationally related objective criteria established by the local educational agency, which include written or oral testing instruments, that are uniformly applied to particular grade levels throughout the local educational agency; and (4) determine the special educational needs (and library resource needs) of participating children with specificity sufficient to ensure concentration on such needs.

[(c) Local Educational Agency Discretion.—(1) Educationally deprived children who begin participation in a program or project assisted under this part, in accordance with subsections (a) and (b) but who, in the same school year, are transferred to a school attendance area or school not receiving funds under this part, may, if the local agency so determines, continue to participate in a program or project funded under this part for the duration of that same school year.

[(2) In providing services under this part a local educational agency may skip educationally deprived children in greatest need of assistance who are receiving, from non-Federal sources, services of the same nature and scope as would otherwise be provided under this part.

[(3) A child who, in the previous year, was identified as being in greatest need of assistance, and who continues to be educationally deprived, but who is no longer identified as being in greatest need of assistance, may participate in a program or project assisted under this part while continuing to be educationally deprived for a maximum of 2 additional years.

[(d) Special Rules.—(1) Children receiving services to overcome a handicapping condition or limited English proficiency shall also be eligible to receive services under this part, if they have needs stemming from educational deprivation and not related solely to the handicapping condition or limited English proficiency. Such children shall be selected on the same basis as other children identified as eligible for and selected to receive services under this part. Funds under this part may not be used to provide services that are otherwise required by law to be made available to such children.

[(2) A student who at any time in the previous 2 years was receiving services under subpart 3 of part D of this chapter or under subpart 3 of part B of title I of the Elementary and Secondary Education Act (as amended by chapter 1 of the Education Consolidation and Improvement Act of 1981) shall be considered eligible for services under this part, and may be served subject to the provisions of subsections (a) and (b).

[SEC. 1015. SCHOOLWIDE PROJECTS.

[(a) USE OF FUNDS FOR SCHOOLWIDE PROJECTS.—In the case of any school serving an attendance area that is eligible to receive services under this part and in which, for the first year of the 3-year period of projects assisted under this section, not less than 75 percent of the children are from low-income families or any eligible school in which not less than 75 percent of the children enrolled in the school are from low-income families, the local educational agency may carry out a project under this part to upgrade the entire educational program in that school if the requirements of subsections (b), (c), (d), and (e) are met.

[(b) DESIGNATION OF SCHOOLS.—A school may be designated for a schoolwide project under subsection (a) if—

[(1) a plan has been developed for that school by the local educational agency and has been approved by the State educational agency which—

[(A) provides for a comprehensive assessment of educational needs of all students in the school, in particular the special needs of educationally deprived children;

[(B) establishes goals to meet the special needs of all students and to ensure that educationally deprived children are served effectively and demonstrate performance gains comparable to other students;

[(C) describes the instructional program, pupil services, and procedures to be used to implement those goals;

[(D) describes the specific uses of funds under this part as part of that program; and

[(E) describes how the school will move to implement an effective schools program as defined in section 1471, if appropriate;

[(2) the plan has been developed with the involvement of those individuals who will be engaged in carrying out the plan, including parents, teachers, librarians, education aides, pupil services personnel, and administrators (and secondary students if the plan relates to a secondary school);

[(3) the plan provides for consultation among individuals described in paragraph (2) as to the educational progress of all students and the participation of such individuals in the development and implementation of the accountability measures required by subsection (e);

[(4) appropriate training is provided to parents of children to be served, teachers, librarians, and other instructional, administrative, and pupil services personnel to enable them effectively to carry out the plan;

[(5) the plan includes procedures for measuring progress, as required by subsection (e), and describes the particular measures to be used; and

[(6)(A) in the case of a school district in which there are one or more schools described in subsection (a) and there are also one or more other schools serving project areas, the local educational agency makes the Federal funds provided under this part available for children in such schools described in subsection (a) in amounts which, per educationally deprived child served, equal or exceed the amount of such funds made available per educationally deprived child served in such other schools; and

[(B) the average per pupil expenditure in schools described in subsection (a) (excluding amounts expended under a State compensatory education program) for the fiscal year in which the plan is to be carried out will not be less than such expenditure in the previous fiscal year in such schools, except that—

[(i) the cost of services for programs described in section 1018(d)(2)(A) shall be included for each fiscal year as appropriate only in proportion to the number of children in the building served in such programs in the year for which this determination is made; and

[(ii) if the average per pupil expenditure of the local educational agency is less than such expenditure in the previous fiscal year, the average per pupil expenditure of schools described in subsection (a) may be reduced by the local educational agency in the exact proportion to the average reduction of expenditures for all schools in such agency.

[(c) APPROVAL OF PLAN; OPERATION OF PROJECT.—

[(1) The State educational agency shall approve the plan of any local educational agency for a schoolwide project if that plan meets the requirements of subsection (b).

[(2) For any school which has such a plan approved, the local educational agency—

[(A) shall, in order to carry out the plan, be relieved of any requirements under this part with respect to the commingling of funds provided under this chapter with funds available for regular programs;

[(B) shall use funds received under this part only to supplement, and to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the school approved for a schoolwide project under paragraph (1);

[(C) shall comply with the provisions of section 1018(c); and

[(D) may not be required to identify particular children as being eligible to participate in projects assisted under this part but shall identify educationally deprived children for purposes of subsections (b) and (e) of this section.

[(d) USE OF FUNDS.—In addition to uses under section 1011, funds may be used in schoolwide projects for—

[(1) planning and implementing effective schools programs, and

[(2) other activities to improve the instructional program and pupil services in the school, such as reducing class size, training staff and parents of children to be served, and implementing extended schoolday programs.

[(e) ACCOUNTABILITY.—

[(1) The State educational agency may grant authority for a local educational agency to operate a schoolwide project for a period of 3 years. If a school meets the accountability requirements in paragraphs (2) and (3) at the end of such period, as determined by the State educational agency, that school will be allowed to continue the schoolwide project for an additional 3-year period.

[(2)(A) Except as provided in subparagraph (B), after 3 years, a school must be able to demonstrate (i) that the achievement level of educationally deprived children as measured according to the means specified in the plan required by subsection (b) exceeds the average achievement of participating children districtwide, or (ii) that the achievement of educationally deprived children in that school exceeds the average achievement of such children in that school in the 3 fiscal years prior to initiation of the schoolwide project.

[(B) For a secondary school, demonstration of lower dropout rates, increased retention rates, or increased graduation rates is acceptable in lieu of increased achievement, if achievement levels over the 3-year schoolwide project period, compared with the 3-year period immediately preceding the schoolwide project, do not decline.

[(3) Schools shall annually collect achievement and other assessment data for the purposes of paragraph (2). The results of achievement and other assessments shall be made available annually to parents, the public, and the State educational agency.

[SEC. 1016. PARENTAL INVOLVEMENT.

[(a) FINDINGS; GENERAL REQUIREMENT.—

[(1) Congress finds that activities by schools to increase parental involvement are a vital part of programs under this chapter.

[(2) Toward that end, a local educational agency may receive funds under this chapter only if it implements programs, activities, and procedures for the involvement of parents in programs assisted under this chapter. Such activities and procedures shall be planned and implemented with meaningful consultation with parents of participating children and must be of sufficient size, scope, and quality to give reasonable promise of substantial progress toward achieving the goals under subsection (b).

[(3) For purposes of this section, parental involvement includes, but is not limited to, parent input into the design and implementation of programs under this chapter, volunteer or paid participation by parents in school activities, and programs, training, and materials which build parents' capacity to improve their children's learning in the home and in school.

[(b) GOALS OF PARENTAL INVOLVEMENT.—In carrying out the requirements of subsection (a), a local educational agency shall, in coordination with parents of participating children, develop programs, activities, and procedures which have the following goals—

[(1) to inform parents of participating children of the program under this chapter, the reasons for their children's participation in such programs, and the specific instructional objectives and methods of the program;

[(2) to support the efforts of parents, including training parents, to the maximum extent practicable, to work with their children in the home to attain the instructional objectives of programs under this chapter and to understand the program requirements of this chapter and to train parents and teachers to build a partnership between home and school;

[(3) to train teachers and other staff involved in programs under this chapter to work effectively with the parents of participating students;

[(4) to consult with parents, on an ongoing basis, concerning the manner in which the school and parents can better work together to achieve the program's objectives and to give parents a feeling of partnership in the education of their children;

[(5) to provide a comprehensive range of opportunities for parents to become informed, in a timely way, about how the program will be designed, operated, and evaluated, allowing opportunities for parental participation, so that parents and educators can work together to achieve the program's objectives; and

[(6) to ensure opportunities, to the extent practicable, for the full participation of parents who lack literacy skills or whose native language is not English.

[(c) MECHANISMS FOR PARENTAL INVOLVEMENT.—

[(1) Each local educational agency, after consultation with and review by parents, shall develop written policies to ensure that parents are involved in the planning, design, and implementation of programs and shall provide such reasonable support for parental involvement activities as parents may request. Such policies shall be made available to parents of participating children.

[(2) Each local educational agency shall convene an annual meeting to which all parents of participating children shall be invited, to explain to parents the programs and activities provided with funds under this chapter. Such meetings may be districtwide or at the building level, as long as all such parents are given an opportunity to participate.

[(3) Each local educational agency shall provide parents of participating children with reports on the children's progress, and, to the extent practical, hold a parent-teacher conference with the parents of each child served in the program, to discuss that child's progress, placement, and methods by which parents can complement the child's instruction. Educational personnel under this chapter shall be readily accessible to parents and shall permit parents to observe activities under this chapter.

[(4) Each local educational agency shall (A) provide opportunities for regular meetings of parents to formulate parental input into the program, if parents of participating children so desire; (B) provide parents of participating children with timely information about the program; and (C) make parents aware of parental involvement requirements and other relevant provisions of programs under this chapter.

[(5) Parent programs, activities, and procedures may include regular parent conferences; parent resource centers; parent training programs and reasonable and necessary expenditures associated with the attendance of parents at training sessions; hiring, training, and utilization of parental involvement liaison workers; reporting to parents on the children's progress; training and support of personnel to work with parents, to coordinate parent activities, and to make contact in the home; use of parents as classroom volunteers, tutors, and aides; provision of school-to-home complementary curriculum and materials and assistance in implementing home-based education activities that reinforce classroom instruction and student motivation; provision of timely information on programs under this chapter (such as program plans and evaluations); soliciting parents' suggestions in the planning, development, and operation of the program; providing timely responses to parent recommendations; parent advisory councils; and other activities designed to enlist the support and participation of parents to aid in the instruction of their children.

[(6) Parents of participating children are expected to cooperate with the local educational agency by becoming knowledgeable of the program goals and activities and by working to reinforce their children's training at home.

[(d) COORDINATION WITH ADULT EDUCATION ACT.—Programs of parental involvement shall coordinate, to the extent possible, with programs funded under the Adult Education Act.

[(e) ACCESSIBILITY REQUIREMENT.—Information, programs, and activities for parents pursuant to this section shall be provided, to the extent practicable, in a language and form which the parents understand.

[SEC. 1017. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

[(a) GENERAL REQUIREMENTS.—To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall, after timely and meaningful consultation with appropriate private school officials, make provisions for including special educational services and arrangements (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment) in which such children can participate and which meet the requirements of sections 1011(a), 1012(b)(1), 1013, 1014, and 1018(b). Expenditures for educational services and arrangements pursuant to this section for educationally deprived children in private schools shall be equal (taking into account the number of children to be served and the special educational needs of such children) to expenditures for children enrolled in the public schools of the local educational agency.

[(b) BYPASS PROVISION.—

[(1) If a local educational agency is prohibited by law from providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Secretary shall waive such requirements, and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

[(2) If the Secretary determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Secretary shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a), upon which determination the provisions of subsection (a) shall be waived.

[(3)(A) The Secretary shall develop and implement written procedures for receiving, investigating, and resolving complaints from parents, teachers, or other concerned organizations or individuals concerning violations of this section. The Secretary shall investigate and resolve each such complaint within 120 days after receipt of the complaint.

[(B) When the Secretary arranges for services pursuant to this subsection, the Secretary shall, after consultation with the appropriate public and private school officials, pay to the provider the cost of such services, including the administrative cost of arranging for such services, from the appropriate allocation or allocations under this chapter.

[(C) Pending final resolution of any investigation or complaint that could result in a determination under this subsection, the Secretary may withhold from the allocation of the affected State or local educational agency the amount the Secretary estimates would be necessary to pay the cost of such services.

[(D) Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the local educational agency to meet the requirements of subsection (a).

[(4)(A) The Secretary shall not take any final action under this subsection until the State educational agency and local educational agency affected by such action have had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or a designee to show cause why such action should not be taken.

[(B) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under subparagraph (A) of this paragraph, it may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

[(C) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify the previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

[(D) Upon the filing of a petition under subparagraph (B), the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

[(c) PRIOR DETERMINATION.—Any bypass determination by the Secretary under title I of the Elementary and Secondary Education Act of 1965, as in effect prior to July 1, 1988, or chapter 1 of the Education Consolidation and Improvement Act of 1981 shall remain in effect to the extent consistent with the purposes of this chapter.

[(d) CAPITAL EXPENSES.—

[(1) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with the provisions of this subsection. State educational agencies shall distribute funds to local educational agencies based on the degree of need as set forth in the application. Such an application shall contain information on such capital expenses by fiscal year and shall contain an assurance that any funds received pursuant to this subsection shall be used solely for purposes of the program authorized by this chapter.

[(2)(A) From the amount appropriated for the purposes of this subsection for any fiscal year, the amount which each State shall be eligible to receive shall be an amount which bears the same ratio to the amount appropriated as the number of children enrolled in private schools who were served under chapter 1 of the Education Consolidation and Improvement Act of 1981 in the State during the period July 1, 1984 through June 30, 1985, bears to the total number of such children served during such period in all States.

[(B) Amounts which are not used by a State for the purposes of this subsection shall be reallocated by the Secretary among other States on the basis of need.

[(3) There is authorized to be appropriated $30,000,000 for fiscal year 1988, $40,000,000 for the fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993. Any sums appropriated under this provision shall be used for increases in capital expenses paid from funds under chapter 1 of the Education Consolidation and Improvement Act or this section subsequent to July 1, 1985, of local educational agencies in providing the instructional services required under section 557 of the Education Consolidation and Improvement Act and this section, when without such funds, services to private schoolchildren would have been or have been reduced or would be reduced or adversely affected.

[(4) For the purposes of this subsection, the term "capital expenses" is limited to expenditures for noninstructional goods and services such as the purchase, lease and renovation of real and personal property (including but not limited to mobile educational units and leasing of neutral sites or space), insurance and maintenance costs, transportation, and other comparable goods and services.

[SEC. 1018. FISCAL REQUIREMENTS.

[(a) MAINTENANCE OF EFFORT.—

[(1) Except as provided in paragraph (2), a local educational agency may receive funds under this chapter for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

[(2) The State educational agency shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which a local educational agency fails to meet the requirement of paragraph (1) by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to such local agency), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) Each State educational agency may waive, for 1 fiscal year only, the requirements of this subsection if the State educational agency determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency.

[(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT REGULAR NON-FEDERAL FUNDS.—A State educational agency or other State agency in operating its State level programs or a local educational agency may use funds received under this chapter only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs and projects assisted under this chapter and in no case may such funds be so used as to supplant such funds from such non-Federal sources. In order to demonstrate compliance with this subsection, no State educational agency, other State agency, or local educational agency shall be required to provide services under this chapter through use of a particular instructional method or in a particular instructional setting.

[(c) COMPARABILITY OF SERVICES.—

[(1) A local educational agency may receive funds under this chapter only if State and local funds will be used in the district of such agency to provide services in project areas which, taken as a whole, are at least comparable to services being provided in areas in such district which are not receiving funds under this chapter. Where all school attendance areas in the district of the agency are designated as project areas, the agency may receive such funds only if State and local funds are used to provide services which, taken as a whole, are substantially comparable in each project area.

[(2)(A) A local educational agency shall be considered to have met the requirements of paragraph (1) if it has filed with the State educational agency a written assurance that it has established and implemented—

[(i) a districtwide salary schedule;

[(ii) a policy to ensure equivalence among schools in teachers, administrators, and auxiliary personnel; and

[(iii) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

[(B) Unpredictable changes in student enrollment or personnel assignments which occur after the beginning of a school year shall not be included as a factor in determining comparability of services.

[(3) Each educational agency shall develop procedures for compliance with the provisions of this subsection, and shall annually maintain records documenting compliance. Each State educational agency shall monitor the compliance of local educational agencies within the States with respect to the requirements of this subsection.

[(4) Each local educational agency with not more than 1 building for each grade span shall not be subject to the provisions of this subsection.

[(5) Each local educational agency which is found to be out of compliance with this subsection shall be subject to withholding or repayment of funds only to the amount or percentage by which the local educational agency has failed to comply.

[(d) EXCLUSION OF SPECIAL STATE AND LOCAL PROGRAM FUNDS.—

[(1)(A) For the purposes of determining compliance with the requirements of subsections (b) and (c), a local educational agency or a State agency operating a program under part D of this chapter may exclude State and local funds expended for carrying out special programs to meet the educational needs of educationally deprived children including compensatory education for educationally deprived children after prior determination pursuant to paragraphs (3) and (4) of this subsection that such programs meet the requirements of subparagraph (B).

[(B) A State or local program meets the requirements of this subparagraph if it is similar to programs assisted under this part. The Secretary shall consider a State or local program to be similar to programs assisted under this part if—

[(i) all children participating in the program are educationally deprived,

[(ii) the program is based on similar performance objectives related to educational achievement and is evaluated in a manner consistent with those performance objectives,

[(iii) the program provides supplementary services designed to meet the special educational needs of the children who are participating,

[(iv) the local educational agency keeps such records and affords such access thereto as are necessary to assure the correctness and verification of the requirements of this subparagraph, and

[(v) the State educational agency monitors performance under the program to assure that the requirements of this subparagraph are met.

[(2)(A) For the purpose of determining compliance with the requirements of subsection (c), a local educational agency may exclude State and local funds expended for—

[(i) bilingual education for children of limited English proficiency,

[(ii) special education for handicapped children, and

[(iii) certain State phase-in programs as described in subparagraph (B).

[(B) A State education program which is being phased into full operation meets the requirements of this subparagraph if the Secretary is satisfied that—

[(i) the program is authorized and governed specifically by the provisions of State law;

[(ii) the purpose of the program is to provide for the comprehensive and systematic restructuring of the total educational environment at the level of the individual school;

[(iii) the program is based on objectives, including but not limited to, performance objectives related to educational achievement and is evaluated in a manner consistent with those objectives;

[(iv) parents and school staff are involved in comprehensive planning, implementation, and evaluation of the program;

[(v) the program will benefit all children in a particular school or grade-span within a school;

[(vi) schools participating in a program describe, in a school level plan, program strategies for meeting the special educational needs of educationally deprived children;

[(vii) at all times during such phase-in period at least 50 percent of the schools participating in the program are the schools serving project areas which have the greatest number or concentrations of educationally deprived children or children from low-income families;

[(viii) State funds made available for the phase-in program will supplement, and not supplant, State and local funds which would, in the absence of the phase-in program, have been provided for schools participating in such program;

[(ix) the local educational agency is separately accountable, for purposes of compliance with the clauses of this subparagraph, to the State educational agency for any funds expended for such program; and

[(x) the local educational agencies carrying out the program are complying with the clauses of this subparagraph and the State educational agency is complying with applicable provisions of this paragraph.

[(3) The Secretary shall make an advance determination of whether or not a State program meets the requirements of this subsection. The Secretary shall require each State educational agency to submit the provisions of State law together with implementing rules, regulations, orders, guidelines, and interpretations which are necessary for an advance determination. The Secretary's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent State law affecting the program, the State educational agency shall submit such changes to the Secretary.

[(4) The State educational agency shall make an advance determination of whether or not a local program meets the requirements of this subsection. The State educational agency shall require each local educational agency to submit the provisions of local law, together with implementing rules, regulations, guidelines, and interpretations which are necessary to make such an advance determination. The State educational agency's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent local law affecting the program, the local educational agency shall submit such changes to the State educational agency.

[SEC. 1019. EVALUATIONS.

[(a) Local Evaluation.—Each local educational agency shall—

[(1) evaluate the effectiveness of programs assisted under this part, in accordance with national standards developed according to section 1435, at least once every 3 years (using objective measurement of individual student achievement in basic skills and more advanced skills, aggregated for the local educational agency as a whole) as an indicator of the impact of the program;

[(2) submit such evaluation results to the State educational agency at least once during each 3-year application cycle;

[(3) determine whether improved performance under paragraph (1) is sustained over a period of more than one program year.

[(b) State Evaluations.—In accordance with national standards, each State educational agency shall—

[(1) conduct an evaluation (based on local evaluation data collected under subsection (a) and sections 1107(b), 1202(a)(6), and 1242(d)) of the programs assisted under this chapter at least every 2 years, submit that evaluation to the Secretary and make public the results of that evaluation;

[(2) inform local educational agencies, in advance, of the specific evaluation data that will be needed and how it may be collected; and

[(3) collect data on the race, age, gender, and number of children with handicapping conditions served by the programs assisted under this chapter and on the number of children served by grade-level under the programs assisted under this chapter and annually submit such data to the Secretary.

[(c) Special Condition.—Projects funded under this part that serve only preschool, kindergarten, or first grade students or students in such grade levels who are included in projects serving children above such grade levels shall not be subject to the requirements of subsection (a).

[SEC. 1020. STATE EDUCATIONAL PROGRAM IMPROVEMENT PLAN.

[(a) Plan Requirements.—A State educational agency which receives funds under part A, part C, and part E of this chapter shall develop, in consultation with a committee of practitioners constituted pursuant to section 1451(b) of this chapter, a plan to ensure implementation of the provisions of this section and section 1021. Each such plan shall contain, but shall not be limited to—

[(1) the objective measures and standards the State educational agency and other agencies receiving funds under part A, part C, and part E of this chapter will use to assess aggregate performance pursuant to section 1021, and may include implementation of section 1019;

[(2) the means the State educational agency will use to develop joint plans with local educational agencies which have identified, pursuant to section 1021(b), schools in need of program improvement to attain satisfactory student progress, the timetable for developing and implementing such plans (within parameters defined pursuant to section 1431) and the program improvement assistance that will be provided to such schools pursuant to section 1021. Such program improvement assistance may include, but shall not be limited to, training and retraining of personnel, development of curricula that has shown promise in similar schools, replication of promising practices in effective schools models, improving coordination between programs assisted under this chapter and the regular school program, and the development of innovative strategies to enhance parental involvement.

[(b) Dissemination and Availability of Plan.—(1) The State educational agency shall disseminate the plan developed under this subsection to all local educational agencies and other State agencies receiving funds under this chapter.

[(2) The State educational program improvement plan shall be available at the State educational agency for inspection by the Secretary and may be amended by the State educational agency after consultation with a committee of practitioners when necessary.

[(c) Availability of Funds.—In any fiscal year for which appropriations are made pursuant to section 1405, the State educational agency shall fully implement the program improvement activities described in sections 1020 and 1021. In any fiscal year for which appropriations are not made, the State educational agency shall conduct, at a minimum, the activities required under section 1021(d), and other program improvement activities to the extent practicable.

[SEC. 1021. PROGRAM IMPROVEMENT.

[(a) Local Review.—Each local educational agency shall—

[(1) conduct an annual review of the program's effectiveness in improving student performance for which purpose the local educational agency shall use outcomes developed pursuant to section 1012 and subsection (b) of this section, and make the results of such review available to teachers, parents of participating children, and other appropriate parties;

[(2) determine whether improved performance under paragraph (1) is sustained over a period of more than one program year;

[(3) use the results of such review and of evaluation pursuant to section 1019 in program improvement efforts required by section 1021(b); and

[(4) annually assess through consultation with parents, the effectiveness of the parental involvement program and determine what action needs to be taken, if any, to increase parental participation.

[(b) SCHOOL PROGRAM IMPROVEMENT.—(1) With respect to each school which does not show substantial progress toward meeting the desired outcomes described in the local educational agency's application under section 1012(a) or shows no improvement or a decline in aggregate performance of children served under this chapter for one school year as assessed by measures developed pursuant to section 1019(a) or subsection (a), pursuant to the program improvement timetable developed under sections 1020 and 1431, the local educational agency shall—

[(A) develop and implement in coordination with such school a plan for program improvement which shall describe how such agency will identify and modify programs funded under this chapter for schools and children pursuant to this section and which shall incorporate those program changes which have the greatest likelihood of improving the performance of educationally disadvantaged children, including—

[(i) a description of educational strategies designed to achieve the stated program outcomes or to otherwise improve the performance and meet the needs of eligible children; and

[(ii) a description of the resources, and how such resources will be applied, to carry out the strategies selected, including, as appropriate, qualified personnel, inservice training, curriculum materials, equipment, and physical facilities; and, where appropriate—

[(I) technical assistance;

[(II) alternative curriculum that has shown promise in similar schools;

[(III) improving coordination between part A and part C of this chapter and the regular school program;

[(IV) evaluation of parent involvement;

[(V) appropriate inservice training for staff paid with funds under this chapter and other staff who teach children served under this chapter; and

[(VI) other measures selected by the local educational agency; and

[(B) submit the plan to the local school board and the State educational agency, and make it available to parents of children served under this chapter in that school.

[(2) A school which has 10 or fewer students served during an entire program year shall not be subject to the requirements of this subsection.

[(c) Discretionary Assistance.—The local educational agency may apply to the State educational agency for program improvement assistance funds authorized under section 1405.

[(d) State Assistance to Local Educational Agencies.—(1) If after the locally developed program improvement plan shall have been in effect according to the timetable established under sections 1020 and 1431, the aggregate performance of children served under this chapter in a school does not meet the standards stated in subsections (a) and (b), the local educational agency shall, with the State educational agency, and in consultation with school staff and parents of participating children, develop and implement a joint plan for program improvement in that school until improved performance is sustained over a period of more than 1 year.

[(2) The State educational agency shall ensure that program improvement assistance is provided to each school identified under paragraph (1).

[(e) Local Conditions.—The local educational agency and the State educational agency, in performing their responsibilities under this section, shall take into consideration—

[(1) the mobility of the student population,

[(2) the extent of educational deprivation among program participants which may negatively affect improvement efforts,

[(3) the difficulties involved in dealing with older children in secondary school programs funded under this chapter,

[(4) whether indicators other than improved achievement demonstrate the positive effects on participating children of the activities funded under this chapter, and

[(5) whether a change in the review cycle pursuant to section 1019 or 1021(a)(1) or in the measurement instrument used or other measure-related phenomena has rendered results invalid or unreliable for that particular year.

[(f) Student Program Improvement.—On the basis of the evaluations and reviews under sections 1019(a)(1) and 1021(a)(1), each local educational agency shall—

[(1) identify students who have been served for a program year and have not met the standards stated in subsections (a) and (b),

[(2) consider modifications in the program offered to better serve students so identified, and

[(3) conduct a thorough assessment of the educational needs of students who remain in the program after 2 consecutive years of participation and have not met the standards stated in subsection (a).

[(g) Program Improvement Assistance.—In carrying out the program improvement and student improvement activities required in subsections (a), (b), (c), and (d), local educational agencies and State educational agencies shall utilize the resources of the regional technical assistance centers and appropriate regional rural assistance programs established by section 1456 to the full extent such resources are available.

[(h) Further Action.—If the State educational agency finds that, consistent with the program improvement timetable established under sections 1020 and 1431, after one year under the joint plan developed pursuant to subsection (d), including services in accordance with section 1017, a school which continues to fall below the standards for improvement stated in subsections (a) and (b) with regard to the aggregate performance of children served under part A, part C, and part E of this chapter, the State educational agency shall, with the local educational agency, review the joint plan and make revisions which are designed to improve performance, and continue to do so each consecutive year until such performance is sustained over a period of more than one year. Nothing in this section or section 1020 shall be construed to give the State any authority concerning the educational program of a local educational agency that does not otherwise exist under State law.

[(i) MUTUAL AGREEMENT.—Before any joint plan may be implemented under subsection (d) and subsection (h) both the local educational agency and State educational agency must approve such plan.

PART B—EVEN START FAMILY LITERACY PROGRAMS

[SEC. 1051. STATEMENT OF PURPOSE.

[It is the purpose of this part to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start". The program shall be implemented through cooperative projects that build on existing community resources to create a new range of services.

[SEC. 1052. PROGRAM AUTHORIZATION.

[(a) GRANTS BY THE SECRETARY.—In any fiscal year in which the appropriations for this part do not equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part which are not inconsistent with the provisions of this subsection, to make grants to eligible entities to carry out Even Start programs.

[(b) STATE GRANT PROGRAM.—(1) In any fiscal year in which the appropriations for this part equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part, to make grants to States from allocations under section 1053 to enable States to carry out Even Start programs.

[(2) In any fiscal year in which this subsection applies, no State shall award a grant under this part for an amount less than $75,000.

[(3) In any year in which this subsection applies, each State that receives a grant under this part may use not more than 5 percent of assistance provided under the grant for costs of—

[(A) administration; and

[(B) the provision, through grant or contract, of technical assistance for program improvement and replication to eligible entities that receive grants under this part.

[(c) RESERVATION.—From amounts appropriated for purposes of carrying out this part, the Secretary may reserve an amount equal to not more than 2 percent of such amounts or the amount reserved for such purposes in the fiscal year 1991, whichever is greater, for purposes of—

[(1) carrying out the evaluation required by section 1058; and

[(2) providing, through grant or contract, technical assistance for program improvement and replication to eligible entities that receive grants under this part.

[(d) DEFINITIONS.—For the purpose of this part:

[(1) The term "eligible entity" means—

[(A) a local educational agency applying in collaboration with a community-based organization, public agency, institution of higher education, or other nonprofit organization; or

[(B) a community-based organization, or other nonprofit organization of demonstrated quality applying in collaboration with a local educational agency.

[(2) The terms "Indian tribe" and "tribal organization" have the respective meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act.

[(3) The term "State" includes each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 1053. ALLOCATION.

[(a) RESERVATION FOR MIGRANT PROGRAMS AND TERRITORIES.—(1) In each fiscal year in which section 1052(a) applies, the Secretary shall first reserve for programs consistent with the purpose of this part—

[(A) for programs for migrant children, which shall be conducted through the Office of Migrant Education, an amount equal to 3 percent of the amount appropriated for purposes of carrying out this part; and

[(B) for allocations to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99–658), and to Indian tribes and tribal organizations, an amount comparable to their relative need.

[(2) In each fiscal year in which section 1052(b) applies, the Secretary shall first reserve for programs consistent with the purpose of this part, an amount equal to 5 percent of the amount appropriated for purposes of carrying out this part, of which—

[(A) amounts shall be allocated for programs for migrant children, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99–658), and Indian tribes and tribal organizations, according to their relative need; but

[(B) in no case shall the amount reserved for programs for migrant children be less than the amount reserved for such programs in the preceding fiscal year.

[(b) STATE ALLOCATION.—Except as provided in section 1052(a) and subsection (c) of this section, each State shall be eligible to receive a grant under this part in each fiscal year that bears the same ratio to the remainder of the amount appropriated under section 1052(b) in that fiscal year as the amount allocated under section 1005 of this Act to the local educational agencies in the State bears to the total amount allocated to such agencies in all States.

[(c) State Minimum.—(1) Subject to the provisions of paragraph (2), no State shall receive less than the greater of—

[(A) one-half of one percent of the amount appropriated for this part and allocated under subsection (b) for any fiscal year; or

[(B) $250,000.

[(2)(A) No State shall, by reason of the application of the provisions of paragraph (1)(A) of this subsection, be allotted more than—

[(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

[(ii) the amount calculated under subparagraph (B),

whichever is less.

[(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

[(i) the number of children in such State counted for purposes of this part in the fiscal year specified in subparagraph (A),

multiplied by

[(ii) 150 percent of the national average per pupil payment made with funds available under this part for that year.

[SEC. 1054. USES OF FUNDS.

[(a) In General.—In carrying out the program under this part, funds made available to an eligible entity shall be used to pay the Federal share of the cost of providing family-centered education programs which involve parents and children in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.

[(b) Program Elements.—Each program assisted under this part shall include—

[(1) the identification and recruitment of eligible children;

[(2) screening and preparation of parents and children for participation, including testing, referral to necessary counseling, other developmental and support services, and related services;

[(3) design of programs and provision of support services (when unavailable from other sources) appropriate to the participants' work and other responsibilities, including—

[(A) scheduling and location of services to allow joint participation by parents and children;

[(B) child care for the period that parents are involved in the program provided for under this part; and

[(C) transportation for the purpose of enabling parents and their children to participate in the program authorized by this part;

[(4) the establishment of instructional programs that promote adult literacy, training parents to support the educational growth of their children, and preparation of children for success in regular school programs;

[(5) provision of special training to enable staff to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this part (including child care staff in programs enrolling children of participants under this part on a space available basis);

[(6) provision of and monitoring of integrated instructional services to participating parents and children through home-based programs; and

[(7) coordination of programs assisted under this part with programs assisted under this chapter and any relevant programs under chapter 2 of this title, the Adult Education Act, the Individuals with Disabilities Education Act, the Job Training Partnership Act, and with the Head Start program, volunteer literacy programs, and other relevant programs.

[(c) Federal Share Limitation.—(1) The Federal share under this part may be—

[(A) not more than 90 percent of the total cost of the program in the first year the eligible entity receives assistance under this part,

[(B) 80 percent in the second such year,

[(C) 70 percent in the third such year, and

[(D) 60 percent in the fourth and any subsequent such year.

Funds may not be used for indirect costs. The remaining cost may be provided in cash or in kind, fairly evaluated, and may be obtained from any source other than funds made available for programs under this chapter.

[(2) The Secretary (in any fiscal year in which section 1052(a) applies) or the State educational agency (in any fiscal year in which section 1052(b) applies) may waive, in whole or in part, the requirement that all or part of the remaining cost described in paragraph (1) be obtained from sources other than funds made available under this chapter if an eligible entity—

[(A) demonstrates that it otherwise would not be able to participate in the program under this part; and

[(B) negotiates an agreement with the Secretary or the State educational agency, as appropriate, with respect to the amount of the remaining cost to which the waiver would be applicable.

[SEC. 1055. ELIGIBLE PARTICIPANTS.

[(a) In General.—Except as provided in subsection (b), eligible participants shall be—

[(1) a parent or parents who are eligible for participation in an adult basic education program under the Adult Education Act; and

[(2) the child or children (from birth to age 7, inclusive), of any individual under paragraph (1), who reside in a school attendance area designated for participation in programs under part A.

[(b) Continuation of Eligibility for Certain Participants.—Any family participating in the program under this part that becomes ineligible for such participation as a result of 1 or more members of the family becoming ineligible for such participation, may continue to participate in the program until all members of the family become ineligible for participation, which—

[(1) in the case of a family in which ineligibility was due to the child or children of such family attaining the age of 8, shall be when the parent or parents become ineligible due to educational advancement; and

[(2) in the case of a family in which ineligibility was due to the educational advancement of the parent or parents of such family, shall be when all children in the family attain the age of 8.

[SEC. 1056. APPLICATIONS.

[(a) SUBMISSION.—To be eligible to receive a grant under this part an eligible entity shall submit an application to the Secretary under section 1052(a) and to the State educational agency under section 1052(b) in such form and containing or accompanied by such information as the Secretary or the State educational agency, as the case may be, may require.

[(b) REQUIRED DOCUMENTATION.—Such application shall include documentation that the eligible entity has the qualified personnel required—

[(1) to develop, administer, and implement the program required by this part, and

[(2) to provide special training necessary to prepare staff for the program.

[(c) PLAN.—Such application shall also include a plan of operation for the program which includes—

[(1) a description of the program goals;

[(2) a description of the activities and services which will be provided under the program (including training and preparation of staff);

[(3) a description of the population to be served and an estimate of the number of participants;

[(4) if appropriate, a description of the collaborative efforts of the institutions of higher education, community-based organizations, the appropriate State educational agency, private elementary schools, or other appropriate nonprofit organizations in carrying out the program for which assistance is sought;

[(5) a statement of the methods which will be used—

[(A) to ensure that the programs will serve those eligible participants most in need of the activities and services provided by this part;

[(B) to provide services under this part to special populations, such as individuals with limited English proficiency and individuals with handicaps; and

[(C) to encourage participants to remain in the programs for a time sufficient to meet program goals; and

[(6) a description of the methods by which the applicant will coordinate programs under this part with programs under chapter 1 and chapter 2, where appropriate, of this title, the Adult Education Act, the Job Training Partnership Act, and with Head Start programs, volunteer literacy programs, and other relevant programs.

[SEC. 1057. AWARD OF GRANTS.

[(a) SELECTION PROCESS.—(1) The Secretary or each State educational agency, as the case may be, shall appoint a review panel that will award grants on the basis of proposals which—

[(A) are most likely to be successful in meeting the goals of this part;

[(B) demonstrate that the area to be served by such program has a high percentage or a large number of children and adults who are in need of such services as indicated by high levels of poverty, illiteracy, unemployment, limited English proficiency, or other need-related indicators;

[(C) demonstrate the greatest degree of cooperation and coordination between a variety of relevant service providers in all phases of the program;

[(D) submit budgets which appear reasonable, given the scope of the proposal;

[(E) demonstrate the eligible entity's ability to provide additional funding under section 1054(c);

[(F) are representative of urban and rural regions of the State or of the United States, as the case may be; and

[(G) show the greatest promise for providing models which may be transferred to other local educational agencies.

[(2) The review panel shall give priority for grants under this subsection to proposals which—

[(A) make the demonstration described in paragraph (1)(B); and

[(B) demonstrate an ability to operate an effective program.

[(b) Review Panel.—A review panel shall, to the extent practicable, consist of 7 members as follows:

[(1) an early childhood education professional;

[(2) an adult education professional;

[(3) a representative of parent-child education organizations;

[(4) a representative of community-based literacy organizations;

[(5) a member of a local board of education;

[(6) a representative of business and industry with a commitment to education; and

[(7) an individual involved in the implementation of programs under this chapter within the State.

The panel shall contain members described in paragraphs (1), (2), (6), and (7).

[(c) Distribution of Assistance.—(1) In approving grants under this part pursuant to section 1052(a), the Secretary shall ensure a representative distribution of assistance among the States and among urban and rural areas of the United States.

[(2) In approving grants under this part pursuant to section 1052(b), the review panel shall ensure a representative distribution of assistance between urban and rural areas of the State.

[(d) Duration.—(1) Grants may be awarded for a period not to exceed 4 years. In any application from an eligible entity for a grant to continue a project for the second, third, or fourth fiscal year following the first fiscal year in which a grant was awarded to such eligible entity, the Secretary or the State educational agency, as the case may be, shall review the progress being made toward meeting the objectives of the project. The Secretary or the State educational agency, as the case may be, may refuse to award a grant if the Secretary or such agency finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

[(2) The Secretary shall establish criteria for carrying out the provisions of paragraph (1) in the transition fiscal year whenever the provisions of section 1052(b) apply to authorized State grant programs.

[SEC. 1058. EVALUATION.

[(a) INDEPENDENT ANNUAL EVALUATION.—The Secretary shall provide for the annual independent evaluation of programs under this part to determine their effectiveness in providing—

[(1) services to special populations;

[(2) adult education services;

[(3) parent training;

[(4) home-based programs involving parents and children,

[(5) coordination with related programs; and

[(6) training of related personnel in appropriate skill areas.

[(b) CRITERIA.—

[(1) Each evaluation shall be conducted by individuals not directly involved in the administration of the program or project operated under this part. Such independent evaluators and the program administrators shall jointly develop evaluation criteria which provide for appropriate analysis of the factors under subsection (a). When possible, each evaluation shall include comparisons with appropriate control groups.

[(2) In order to determine a program's effectiveness in achieving its stated goals, each evaluation shall contain objective measures of such goals and, whenever feasible, shall obtain the specific views of program participants about such programs.

[(c) REPORT TO CONGRESS AND DISSEMINATION.—The Secretary shall prepare and submit to the Congress a review and summary of the results of such evaluations not later than September 30, 1993. The annual evaluations shall be submitted to the National Diffusion Network for consideration for possible dissemination.

[SEC. 1059. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated for purposes of carrying out this part such sums as may be necessary for the fiscal year 1991, $100,000,000 for the fiscal year 1992, and such sums as may be necessary for the fiscal year 1993.

[PART C—SECONDARY SCHOOL PROGRAMS FOR BASIC SKILLS IMPROVEMENT AND DROPOUT PREVENTION AND REENTRY

[SEC. 1101. PURPOSE.

[It is the purpose of this subpart to provide additional assistance to local educational agencies with high concentrations of low-income children, low-achieving children, or school dropouts to improve the achievement of educationally disadvantaged children enrolled in secondary schools of such agencies, and to reduce the number of youths who do not complete their elementary and secondary education.

[SEC. 1102. ALLOCATION.

[(a) Reservations.—From the amount appropriated under section 1110 for each of the fiscal years 1992 and 1993, the Secretary shall first reserve—

[(1) an amount equal to 3 percent of such amount for programs consistent with the purpose of this part for school dropout prevention and reentry programs and secondary school basic skills improvement programs for migrant children, to be conducted through the Office of Migrant Education; and

[(2) an amount equal to 5 percent of such amount for replication and technical assistance activities.

[(b) State Allocation.—Except as provided in subsection (c), each State shall be eligible to receive a grant under this part in each fiscal year that bears the same ratio to the remainder of the amount appropriated in that fiscal year as the amount allocated under section 1005 of this Act to the local educational agencies in the State bears to the total amount allocated to such agencies in all States.

[(c) State Minimum.—(1) No State shall receive less than the greater of—

[(A) one-quarter of 1 percent of the amount appropriated for this part and allocated under subsection (b) for any fiscal year; or

[(B) $250,000.

[(2)(A) No State shall, by reason of the application of the provisions of paragraph (1)(A) of this subsection, be allotted more than—

[(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

[(ii) the amount calculated under subparagraph (B),

whichever is less.

[(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

[(i) the number of children in such State counted for purposes of this part in the fiscal year specified in subparagraph (A),

multiplied by

[(ii) 150 percent of the national average per pupil payment made with funds available under this part for that year.

[(d) Local Educational Agency Allocation.—Each State educational agency shall allocate funds among local educational agencies in the State on the basis of—

[(1) the eligibility of such agency for funds under section 1005 of this Act; and

[(2) the criteria described in section 1105.

Each local educational agency may carry out the activities described in section 1103 in cooperation with community-based organizations.

[(e) State Administration.—A State may reserve not more than 5 percent of the amounts available under this part for any fiscal year for State administrative costs.

[SEC. 1103. USES OF FUNDS.

[(a) General Rule.—

[(1) A local educational agency may use—

[(A) not to exceed 50 percent of funds paid under this part in any fiscal year for dropout prevention and reentry activities pursuant to subsection (c); and

[(B) the remainder of such funds for secondary schools basic skills improvement activities pursuant to subsection (b).

[(2) A community-based organization shall use all funds paid under this part in any fiscal year for dropout prevention and reentry activities pursuant to subsection (c).

[(b) BASIC SKILLS FOR SECONDARY SCHOOLS.—Funds made available under this subpart may be used—

[(1) to initiate or expand programs designed to meet the special educational needs of secondary school students and to help such students attain grade level proficiency in basic skills, and, as appropriate, learn more advanced skills;

[(2) to develop innovative approaches for—

[(A) surmounting barriers that make secondary school programs under this subpart difficult for certain students to attend and difficult for secondary schools to administer, such as scheduling problems; and

[(B) courses leading to successful completion of the general education development test or of graduation requirements;

[(3) to develop and implement innovative programs involving community-based organizations or the private sector, or both, to provide motivational activities, preemployment training, or transition-to-work activities;

[(4) to provide programs for eligible students outside the school, with the goal of reaching school dropouts who will not reenter the traditional school, for the purpose of providing compensatory education, basic skills education, or courses for general educational development;

[(5) to use the resources of the community to assist in providing services to the target population;

[(6) to provide training for staff who will work with the target population on strategies and techniques for identifying, instructing, and assisting such students;

[(7) to provide guidance and counseling activities, support services, exploration of postsecondary educational opportunities, youth employment activities, and other student services which are necessary to assist eligible students; and

[(8) to recruit, train, and supervise secondary school students (including the provision of stipends to students in greatest need of financial assistance) to serve as tutors of other students eligible for services under this subpart and under part A, in order to assist such eligible students with homework assignments, provide instructional activities, and foster good study habits and improved achievement.

[(c) USES OF FUNDS FOR SCHOOL DROPOUT PREVENTION AND REENTRY PROJECTS.—Funds made available under this subsection may be used for—

[(1) effective programs which identify potential student dropouts and prevent them from dropping out of elementary and secondary school;

[(2) effective programs which identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

[(3) effective programs for early intervention designed to identify at-risk students in elementary and early secondary schools;

[(4) model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school;

[(5) school dropout programs which include coordinated services and activities with programs of vocational education, adult basic education, and programs under the Job Training Partnership Act;

[(6) projects which are carried out in consortia with a community-based organization, any nonprofit private organization, institution of higher education, State educational agency, State and local public agencies, private industry councils (established under the Job Training Partnership Act), museum, library, or educational television or broadcasting station, or community-based organization; or

[(7) any of the activities described in section 6005 or 6006 of title VI.

[(d) WITHIN-STATE ALLOCATION.—

[(1) Each State educational agency, from funds received under this part—

[(A) shall first reserve an amount equal to 5 percent of such funds for programs consistent with the purpose of this part for school dropout prevention and reentry programs conducted by community-based organizations that have demonstrated effectiveness in programs for dropout prevention and reentry activities or basic skills improvement activities; and

[(B) shall then allocate funds among local educational agencies in the State on the basis of—

[(i) the eligibility of such agency for funds under section 1005; and

[(ii) the criteria described in section 1105.

[(2) Each local educational agency may carry out the activities described in section 1103 in cooperation with community-based organizations.

[SEC. 1104. APPLICATIONS.

[(a) APPLICATION REQUIRED.—Any local educational agency or community-based organization which desires to receive a grant under this part shall submit to the State educational agency an application which describes the program to be supported with funds under this part and complies with the provisions of subsection (b).

[(b) CONTENTS OF APPLICATION.—Each application submitted under subsection (a) shall—

[(1) contain a plan that describes specific proposals for a program to increase the secondary school completion rate of the State by not later than January 1, 2001, by a percentage equal to one-half the difference between 100 percent and the secondary school completion rate for individuals in the State aged 18 to 35, inclusive, as of January 1, 1990;

[(2) assure that requirements for obtaining a certificate of graduation from a school providing secondary education or its equivalent will not be lowered;

[(3) describe the program goals and the manner in which funds will be used to initiate or expand services to secondary school students, school dropouts, and potential school dropouts;

[(4) describe the activities and services which will be provided by the program (including documentation to demonstrate that the local educational agency or community-based organization has the qualified personnel required to develop, administer, and implement the program under this part);

[(5) assure that the programs will be conducted in schools or areas with the greatest need for assistance, in terms of achievement levels, poverty rates, or school dropout rates;

[(6) assure that the programs will serve those eligible students most in need of the activities and services provided by this part;

[(7) assure that services will be provided under this part, as appropriate, to special populations, such as individuals with limited English proficiency and individuals with handicaps;

[(8) assure that parents of eligible students will be involved in the development and implementation of programs under this part;

[(9) describe the methods by which the applicant will coordinate programs under this part with programs for the eligible student population operated by the local educational agency concerned or community-based organizations, as appropriate, social service organizations and agencies, private sector entities, and other agencies, organizations, and institutions, and with programs conducted under the Carl D. Perkins Vocational Education Act, the Adult Education Act, the Job Training Partnership Act, and other relevant Acts;

[(10) assure that, if feasible, the local educational agency or community-based organization will enter into arrangements with local businesses, labor organizations, or chambers of commerce under which such businesses and organizations will help secure employment for graduates of schools operating projects under this part;

[(11) assure that to the extent consistent with the number of students in the school district of the local educational agency concerned who are enrolled in private secondary schools, such agency or community-based organization shall, after timely and meaningful consultation with appropriate private school officials, make provision for including such services and arrangements for the benefit of such students as will assure their equitable participation in the purposes and benefits of this part; and

[(12) provide such other information as the State educational agency may require to determine the nature and quality of the proposed project and the applicant's ability to carry it out.

[(c) SPECIAL RULE.—If the Secretary determines that a local educational agency has substantially failed to comply with paragraph

(9) (by reason of State law or otherwise) or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirement, and, subject to the provisions of section 1017(b) of part A of this chapter, shall arrange for the provision of services to such students.

[(d) Time for Submission of Applications.—Each State shall submit to the Secretary—

[(1) an initial application that covers a 3-year period by not later than January 1, 1992;

[(2) an initial or a renewal application that covers a 3-year period by not later than January 1, 1995; and

[(3) a renewal application that covers a 3-year period by not later than January 1, 1998.

[SEC. 1105. AWARD OF GRANTS.

[(a) General Authority.—Each State educational agency shall award grants to local educational agencies and community-based organizations within the State which—

[(1) demonstrate the greatest need for services provided under this part based on their numbers of low-income children, numbers of low-achieving children, or numbers of school dropouts;

[(2) are representative of urban and rural regions of the State;

[(3) offer innovative approaches to improving achievement among eligible youth or offer approaches which show promise for replication and dissemination; and

[(4) offer innovative approaches to reducing the number of school dropouts.

[(b) Priorities for Grants to Community-Based Organizations.—

[(1) The State educational agency shall give priority for grants from amounts reserved under section 1103(d)(1)(A) to community-based organizations that intend to use funds under the grant to establish or operate model secondary school community education employment centers to meet the education needs of inner-city, low-income youths or rural youths by awarding grants to eligible recipients to establish community education employment centers to provide students with the education, skills, support services, and enrichment necessary to ensure—

[(A) graduation from secondary school;

[(B) successful transition from articulated vocational and academic programs to a broad range of post secondary institutions;

[(C) employment, including military service; and

[(D) integration into America's economic mainstream.

[(2) Each center that is assisted with a grant under this part shall offer—

[(A) a comprehensive program of confidential guidance counseling;

[(B) professional staff members who demonstrate the highest academic, teaching, guidance, or administrative standards, as appropriate; and

[(C) active and informed parental and community participation.

[SEC. 1106. REPORTS; DEVELOPMENT OF INFORMATION BASE.

[(a) Reports to States.—Each local educational agency or individual school that receives assistance under a grant made under this part shall annually submit a report to the State describing activities carried out with such assistance and progress toward increasing the secondary school completion rate achieved as a result of such activities.

[(b) Reports to Secretary.—Each State shall annually submit a report to the Secretary describing activities carried out with assistance received under this section and progress achieved toward increasing the secondary school completion rate as a result of such activities.

[(c) Development of Information Base.—From information contained in the reports required under subsection (b), the Secretary shall create an information base containing information on dropout prevention programs for use by State and local educational agencies, elementary and secondary schools, and interested community organizations in the development or refinement of dropout prevention programs. The Secretary shall ensure that such information base is easily accessible to such agencies, schools, and organizations.

[SEC. 1107. COORDINATION AND DISSEMINATION.

[(a) Grants to Regional Laboratories.—From an amount equal to 65 percent of the amount reserved under section 1102(a)(2), the Secretary shall make grants to regional laboratories supported by the Secretary under section 405(d)(4)(A)(i) of the General Education Provisions Act for the purposes of—

[(1) identifying model programs for dropout prevention and reentry in their regions;

[(2) disseminating such programs; and

[(3) providing assistance to schools in replicating such programs.

[(b) Activities of the National Diffusion Network.—The Secretary shall provide an amount equal to 45 percent of the amount reserved under section 1102(a)(2) to the National Diffusion Network established under section 1562 for the purpose of replicating model programs for dropout prevention and reentry.

[SEC. 1108. FISCAL REQUIREMENTS AND COORDINATION PROVISIONS.

[(a) General Rule.—(1) The provisions of subsections (a) through (d) of section 1018 of this Act shall apply to the program authorized by this part.

[(2) Administrative Costs.—Not more than 5 percent of a grant may be used for local administrative costs.

[(3) Coordination and Dissemination.—Local educational agencies and community-based organizations receiving grants under this part shall cooperate with the coordination and dissemination efforts of the National Diffusion Network and State educational agencies.

[(b) SPECIAL RULE.—(1) Each local educational agency shall use funds under this part to supplement the level of funds under this chapter that are used for secondary school programs.

[(2) In order to comply with paragraph (1), any local educational agency which operates secondary school programs funded under chapter 1 of the Education Consolidation and Improvement Act of 1981 or part A of this Act and which is operating secondary school basic skills programs under this part shall continue the same aggregate level of funding for such programs, at the same schools or at other eligible schools within the local educational agency.

[SEC. 1109. EVALUATION.

[The provisions of sections 1019 and 1021 shall apply to local educational agencies receiving grants under this part.

[SEC. 1110. DEFINITION OF SECONDARY SCHOOL COMPLETION RATE.

[The Secretary shall establish a definition for the term "secondary school completion rate" for purposes of this part.

[SEC. 1111. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $400,000,000 for the fiscal year 1990, $450,000,000 for the fiscal year 1991, $500,000,000 for the fiscal year 1992, and $550,000,000 for the fiscal year 1993 to carry out this part.

[PART D—PROGRAMS OPERATED BY STATE AGENCIES

[Subpart 1—Programs for Migratory Children

[SEC. 1201. GRANTS—ENTITLEMENT AND AMOUNT.

[(a) ENTITLEMENT.—A State educational agency or a combination of such agencies shall, upon application, be entitled to receive a grant for any fiscal year under this part to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers (including migratory agricultural dairy workers) or of migratory fishermen which meet the requirements of section 1202.

[(b) AMOUNT OF GRANT.—(1) Except as provided in section 1291, the total grants which shall be made available for use in any State (other than the Commonwealth of Puerto Rico) for this subpart shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States) multiplied by (i) the estimated number of such migratory children aged 3 to 21, inclusive, who reside in the State full time, and (ii) the full-time equivalent of the estimated number of such migratory children aged 3 to 21, inclusive, who reside in the State part time, as determined by the Secretary in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under section 1202, the Secretary shall allocate such excess, to the extent necessary, to other States, whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. In determining the full-time equivalent number of migratory children who are in a State during the summer months, the Secretary shall adjust the number so determined to take into account the special needs of those children for summer programs and the additional costs of operating such programs during the summer. In determining the number of migrant children for the purposes of this section the Secretary shall use statistics made available by the migrant student record transfer system or such other system as the Secretary may determine most accurately and fully reflects the actual number of migrant students. In submitting the information required to make such determination, the States may not exceed a standard error rate of 5 percent.

[(2) To carry out the determinations of eligibility required by this section, the Secretary shall develop a national standard form for certification of migrant students.

[(3) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at by multiplying the number of such migrant children in the Commonwealth of Puerto Rico by the product of—

[(A) the percentage determined under the preceding sentence, and

[(B) 32 percent of the average per pupil expenditure in the United States.

[SEC. 1202. PROGRAM REQUIREMENTS.

[(a) REQUIREMENTS FOR APPROVAL OF APPLICATION.—The Secretary may approve an application submitted under section 1201(a) only upon a determination—

[(1) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers (including migratory agricultural dairy workers) or of migratory fishermen, and to coordinate such programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

[(2) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under section 418 of the Higher Education Act, section 402 of the Job Training Partnership Act, the Individuals with Disabilites Education Act, the Community Services Block Grant Act, the Head Start program, the migrant health program, and all other appropriate programs under the Departments of Education, Labor, and Agriculture;

[(3) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of section 1011 (other than subsection (b)), sections 1012, 1014, and 1018, and subpart 2 of part F;

[(4) that, in the planning and operation of programs and projects at both the State and local educational agency level, there is appropriate consultation with parent advisory councils (established in order to comply with this provision) for programs extending for the duration of a school year, and that all programs are carried out in a manner consistent with the requirements of section 1016;

[(5) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool education needs of migratory children of migratory agricultural workers (including migratory agricultural dairy workers) or of migratory fishermen; and

[(6) that programs conducted under this subpart will be evaluated in terms of their effectiveness in achieving stated goals, including objective measurements of educational achievement in basic skills, and that for formerly migratory children who have been served under this subpart in a full school year program for at least 2 years, such evaluations shall include a determination of whether improved performance is sustained for more than 1 year.

[(b) CONTINUATION OF MIGRANT STATUS.—For purposes of this subpart, with the concurrence of the parents, a migratory child of a migratory agricultural worker (including migratory agricultural dairy workers) or of a migratory fisherman shall be considered to continue to be such a child for a period, not in excess of 5 years. Such children who are currently migrant, as determined pursuant to regulations of the Secretary, shall be given priority in the consideration of programs and activities contained in applications submitted under this section.

[(c) DEFINITIONS.—The Secretary shall continue to use the definitions of "agricultural activity", "currently migratory child", and "fishing activity" which were published in the Federal Register on April 30, 1985, in regulations prescribed under section 555(b) of the Education Consolidation and Improvement Act of 1981 and subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 (as in effect on April 30, 1985). No additional definition of "migratory agricultural worker" or "migratory fisherman" may be applied to the provisions of this subpart.

[(d) BYPASS PROVISION.—If the Secretary determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers (including migratory agricultural dairy workers) or of migratory fishermen, that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, the Secretary may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in 1 or more States, and for this purpose the Secretary may use all or part of the total of grants available for any such State under this subpart.

[SEC. 1203. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

[(a) ACTIVITIES AUTHORIZED.—(1) The Secretary is authorized to make grants to, and enter into contracts with, State educational agencies (in consultation with and with the approval of the States) for activities to improve the interstate and intrastate coordination among State and local educational agencies of the educational programs available for migratory students. Each grant issued under this paragraph shall not exceed 3 years for its stated purpose.

[(2)(A) The Secretary is also authorized to enter into contracts with State educational agencies to operate a system for the transfer among State and local educational agencies of migrant student records (including individualized education programs approved under the Individuals with Disabilites Education Act).

[(B) Except as provided in subparagraph (C), for the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year.

[(C) Beginning on July 1, 1992, and every 4 years thereafter, the Secretary shall conduct a competition to award such contract.

[(D) No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.

[(3) Grants or contracts shall also be made under this section to State educational agencies to develop and establish a national program of credit exchange and accrual for migrant students so that such students will be better able to meet graduation requirements and receive their high school diplomas. Such grants or contracts may not exceed 3 years.

[(b) AVAILABILITY OF FUNDS.—The Secretary shall, from the funds appropriated for carrying out this subpart, reserve for purposes of this section for any fiscal year an amount, determined by the Secretary, which shall not be less than $6,000,000 nor more than 5 percent of the amount appropriated.

[Subpart 2—Programs for Handicapped Children

[SEC. 1221. AMOUNT AND ELIGIBILITY.

[(a) ELIGIBILITY FOR GRANT.—(1) A State educational agency shall be eligible to receive a grant under this subpart for any fiscal year for programs (as defined in sections 1222 and 1223) for handicapped children (as defined in paragraph (2)(B)).

[(2) For the purpose of this subpart—

[(A) "children" includes infants and toddlers described in part H of the Individuals with Disabilites Education Act, as appropriate, and

[(B) "handicapped children" means children who by reason of their handicap require special education and related services, or in the case of infants and toddlers, require early intervention services and who are mentally retarded, hard of hearing, deaf, speech or language impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health impaired children or children with specific learning disabilities.

[(b) STATE EDUCATIONAL AGENCY APPLICATION.—In order to receive a grant under this subpart, a State educational agency shall submit an application to the Secretary which provides assurances that—

[(1) all handicapped children (other than handicapped infants and toddlers) in the State participating in programs and projects funded under this subpart receive a free appropriate public education and such children and such children's parents are provided all the rights and procedural safeguards under part B of the Individuals with Disabilites Education Act and this subpart and that all handicapped infants and toddlers in the State participating under this subpart receive early intervention services and such infants and toddlers and their families are provided the rights and procedural safeguards under part H of such Act;

[(2) programs and projects receiving assistance under this subpart are administered in a manner consistent with this subpart, subpart 2 of part F, part B of the Individuals with Disabilites Education Act, and as determined by the Secretary to be appropriate, part H of the Individuals with Disabilites Education Act, including the monitoring by such agency of compliance under paragraph (1);

[(3) programs and projects under this subpart will be coordinated with services under the Individuals with Disabilites Education Act;

[(4) for fiscal year 1991, and each subsequent fiscal year, the State educational agency will administer the program authorized by this subpart through the State office responsible for administering part B of the Individuals with Disabilites Education Act;

[(5) the agency will report annually to the Secretary—

[(A) the number of children served under this subpart for each disability and age category as described in part B of the Individuals with Disabilites Education Act;

[(B) the number of children served under this subpart in each of the educational placements described in section 618(b)(2) of the Individuals with Disabilites Education Act (and will report separately State-operated and State-supported programs and local educational agency programs for children previously served in such State programs); and

[(C) on the uses of funds and the allocation of such funds for such uses under this subpart; and

[(6) the agency will report to the Secretary such other information as the Secretary may reasonably request.

[(c) AMOUNT OF GRANT.—(1) Except as provided in subsection (e) and section 1291, the grant which a State educational agency (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States), multiplied by the number of handicapped children, from birth through 21, enrolled on December 1, as determined by the Secretary, in programs or schools for handicapped infants, toddlers and children operated or supported by a State agency which—

[(i) is directly responsible for providing free public education for handicapped children (including schools or programs providing special education and related services for handicapped children under contract or other arrangement with such agency); or

[(ii) is directly responsible for providing early intervention services for handicapped infants or toddlers (including schools or programs providing special education and related services for handicapped children under contract or other arrangement with such agency),

in the most recent fiscal year for which satisfactory data are available. The State educational agency shall distribute such funds to the appropriate State agency on the basis of the December 1 child count by distributing an equal amount for each child counted.

[(2) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. Except as provided in subsection (e), a grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of such handicapped children in the Commonwealth of Puerto Rico by the product of—

[(A) the percentage determined under the preceding sentence, and

[(B) 32 percent of the average per pupil expenditure in the United States.

[(3) SPECIAL RULE.—Notwithstanding any other provision of law, for purposes of determining the amount of a grant under this subsection for which a State educational agency is eligible from funds appropriated for the program assisted under this subpart for each fiscal year beginning after October 1, 1990, the Secretary shall allow intermediate school districts to count children with disabilities in the same manner as such children were counted in determining such amount in fiscal year 1990, regardless of whether such children receive services directly from the intermediate school district.

[(d) COUNTING OF CHILDREN TRANSFERRING FROM STATE TO LOCAL PROGRAMS.—In any case in which a child described in sections 1225(1)(A) and 1225(1)(B)(i) leaves an educational program for handicapped children operated or supported by a State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (c) if—

[(1) the child was receiving and continues to receive a free appropriate public education; and

[(2) the State educational agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State educational agency under this section which are attributable to such child, to be used for the purpose set forth in section 1223.

[(e) Special Requirement.—The State educational agency may count handicapped children aged 3 to 5, inclusive, in a State only if such State is eligible for a grant under section 619 of the Individuals with Disabilites Education Act.

[SEC. 1222. PROGRAM REQUIREMENTS.

[(a) General Requirements.—A State educational agency shall use the payments made under this subpart for programs and projects (including the acquisition of equipment) which are designed to supplement the special education needs of handicapped children (other than handicapped infants and toddlers) or the early intervention needs of handicapped infants and toddlers. Such programs and projects shall be administered in a manner consistent with this subpart, subpart 2 of part F, part B of the Individuals with Disabilites Education Act, and, as determined by the Secretary to be appropriate, part H of the Individuals with Disabilites Education Act.

[(b) Services.—Funds under this subpart shall be used to supplement the provision of special education and related services for handicapped children (other than handicapped infants and toddlers) or early intervention services for handicapped infants and toddlers.

[(c) Demonstration of Benefit.—Recipients of funds under this subpart shall collect and maintain such evaluations and assessments as may be necessary to demonstrate that the programs and projects were beneficial to the children served.

[SEC. 1223. USES OF FUNDS.

[(a) General Rule.—Programs, and projects authorized under this subpart may include, but are not limited to—

[(1) services provided in early intervention, preschool, elementary, secondary, and transition programs;

[(2) acquisition of equipment and instructional materials;

[(3) employment of special personnel;

[(4) training and employment of education aides;

[(5) training in the use and provision of assistive devices and other specialized equipment;

[(6) training of teachers and other personnel;

[(7) training of parents of handicapped children;

[(8) training of nonhandicapped children to facilitate their participation with handicapped children in joint activities;

[(9) training of employers and independent living personnel involved in assisting the transition of handicapped children from school to the world of work and independent living;

[(10) outreach activities to identify and involve handicapped children and their families more fully in a wide range of educational and recreational activities in their communities; and

[(11) planning for, evaluation of, and dissemination of information regarding such programs and projects assisted under this subpart.

[(b) Prohibition.—Programs and projects authorized under this subpart may not include the construction of facilities.

[SEC. 1224. SERVICE AND PROGRAM APPLICATIONS.

[(a) Application Required.—A State agency or local educational agency may receive a grant under this subpart for any fiscal year if it has on file with the State educational agency an application which describes the services, programs, and projects to be conducted with such assistance for a period of not more than 3 years, and each such application has been approved by the State educational agency. Any State educational agency operating programs or projects under this subpart shall prepare a written description of such programs and projects in accordance with subsections (b) and (c).

[(b) REQUIREMENTS.—At a minimum each such application shall—

[(1) indicate the number of children to be served;

[(2) specify the number of children to be served for each disability and age category as described in part B of the Individuals with Disabilites Education Act;

[(3) describe the purpose or purposes of the project and the method or methods of evaluating the effectiveness of the services, projects, or program;

[(4) specify the services to be provided with the funds furnished under this subpart; and

[(5) include other information the Secretary or State educational agency may request.

[(c) APPLICATION ASSURANCES.—Any such application shall provide assurances that—

[(1) all handicapped children in the State (other than handicapped infants and toddlers) participating in programs and projects funded under this subpart receive a free appropriate public education and such children and such children's parents are provided all the rights and procedural safeguards under part B of the Individuals with Disabilites Education Act and this subpart and that all handicapped infants and toddlers in the State participating under this subpart receive early intervention services and such infants and toddlers and their families are provided the rights and procedural safeguards under part H of such Act;

[(2) services, programs, and projects conducted under this subpart are of sufficient size, scope, and quality to give reasonable promise toward meeting the special educational and early intervention needs of children to be served;

[(3) funds made available under the subpart will supplement, not supplant State and local funds in accordance with section 1018(b);

[(4) the agency will maintain its fiscal effort in accordance with section 1018(a);

[(5) the agency will conduct such evaluations and assessments as may be necessary to demonstrate that the programs and projects are beneficial to the children served;

[(6) the parents of children to be served with funds under this subpart are provided an opportunity to participate in the development of its project application; and

[(7) the agency will comply with all reporting requirements in a timely manner.

[(d) LETTER OF REQUEST.—The State educational agency may accept, in lieu of a project application, a letter of request for payment from a local educational agency, if the local agency intends to serve fewer than 5 children with its payment. In such a letter the agency shall include an assurance that the payment will be used to supplement the provision of special education and related services.

[SEC. 1225. ELIGIBLE CHILDREN.

[The children eligible for services under this subpart are—

[(1) those handicapped children from birth to 21, inclusive, who—

[(A) the State is directly responsible for providing special education or early intervention services to (including schools or programs providing special education and related services for handicapped children under contract or other arrangement with such agency), and

[(B)(i) are participating in a State-operated or State-supported school or program for handicapped children (including schools and programs operated under contract or other arrangement with a State agency), or

[(ii) previously participated in such a program and are receiving special education or early intervention services from local educational agencies; and

[(2) other handicapped children, if children described in paragraph (1) have been fully served.

[SEC. 1226. FEDERAL MONITORING REQUIREMENT.

[Whenever the Secretary conducts monitoring visits under part B of the Individuals with Disabilites Education Act, the Secretary shall monitor the program authorized by this subpart, if applicable.

[Subpart 3—Programs for Neglected and Delinquent Children

[SEC. 1241. AMOUNT AND ENTITLEMENT.

[(a) ENTITLEMENT TO GRANTS.—A State agency which is responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this subpart for any fiscal year (but only if grants received under this subpart are used only for children in such institutions).

[(b) AMOUNT OF GRANT.—(1) Except as provided in section 1291, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States) multiplied by the number of such neglected or delinquent children in average daily attendance, as determined by the Secretary, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available.

[(2) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of such neglected or delinquent children in the Commonwealth of Puerto Rico by the product of—

[(A) the percentage determined under the preceding sentence, and

[(B) 32 percent of the average per pupil expenditure in the United States.

[SEC. 1242. PROGRAM REQUIREMENTS.

[(a) Use of Payments.—A State agency shall use payments under this subpart only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of children in institutions for neglected or delinquent children, children attending community day programs for neglected and delinquent children, or children in adult correctional institutions. Such programs and projects shall be designed to support educational services supplemental to the basic education of such children which must be provided by the State, and such programs and projects shall be administered and carried out in a manner consistent with subpart 2 of part F and sections 1011(a), 1014, and section 1018 (other than subsection (c)). The transfer of neglected and delinquent student records among State and local educational agencies, institutions, and programs shall include any individualized education programs of such students.

[(b) Compliance.—In determining whether programs under this subpart have complied with the supplement not supplant requirement under section 1018(b), programs which are supplementary in terms of the number of hours of instruction students are receiving from State and local sources shall be considered in compliance without regard to the subject areas in which those instructional hours are given.

[(c) Three-Year Projects.—Where a State agency operates programs under this subpart in which children are likely to participate for more than 1 year, the State educational agency may approve the application for a grant under this subpart for a period of more than 1 year, but not to exceed 3 years.

[(d) Evaluation.—Programs for neglected and delinquent children under this subpart shall be evaluated annually to determine their impact on the ability of such children to maintain and improve educational achievement, to maintain school credit in compliance with State requirements, and to make the transition to a regular program or special education program operated by a local educational agency.

[SEC. 1243. TRANSITION SERVICES.

[(a) Transition Services.—Each State may reserve not more than 10 percent of the amount it receives under section 1241 for any fiscal year to support projects that facilitate the transition of children from State operated institutions for neglected and delinquent children into locally operated programs.

[(b) Conduct of Projects.—Projects supported under this section may be conducted directly by the State agency, or by contracts or other arrangements with one or more local educational agencies, other public agencies, or private nonprofit organizations.

[(c) Limitation.—Assistance under this section shall be used only to provide special educational services to neglected and delinquent children in schools other than State operated institutions.

[SEC. 1244. DEFINITIONS.

[For the purposes of this subpart, the following terms have the following meanings:

[(1) The term "institution for delinquent children", as determined by the State educational agency, means a public or private residential facility that is operated for the care of children who have been determined to be delinquent or in need of supervision.

[(2) The term "institution for neglected children" means, as determined by the State educational agency, a public or private residential facility (other than a foster home) that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of parents or guardians.

[Subpart 4—General Provisions for State Operated Programs

[SEC. 1291. RESERVATION OF FUNDS FOR TERRITORIES.

[There is authorized to be appropriated for each fiscal year for purposes of each of subparts 1, 2, and 3 of this part, an amount equal to not more than 1 percent of the amount appropriated for such year for such subparts, for payments to Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands under each such subpart. The amounts appropriated for each such subpart shall be allotted among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Secretary determines will best carry out the purposes of this chapter.

[SEC. 1292. DUAL ELIGIBILITY FOR PROGRAMS.

[Neglected and delinquent children under subpart 3 who are eligible for programs for handicapped children under subpart 2, may be counted under each subpart for purposes of grant determination and may be served under each such program.

[PART E—PAYMENTS

[SEC. 1401. PAYMENT METHODS.

[The Secretary shall, from time to time, pay to each State, in advance or otherwise, the amount which it and the local educational agencies of that State are eligible to receive under this chapter. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this chapter or chapter 1 of the Education Consolidation and Improvement Act of 1981 (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

[SEC. 1402. AMOUNT OF PAYMENTS TO LOCAL EDUCATIONAL AGENCIES.

[From the funds paid to it pursuant to section 1401 each State educational agency shall distribute to each local educational agency of the State which is eligible to receive a grant under this chapter and which has submitted an application approved pursuant to section 1012 the amount for which such application has been approved, and the amount which the local educational agency is eligible to receive under sections 1053 and 1102 except that the amount shall not exceed the amount determined for that local educational agency under this chapter.

[SEC. 1403. ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.

[(a) Adjustment Allocation.—If the sums appropriated for any fiscal year for making the payments provided for in this chapter are not sufficient to pay in full the total amounts which all local and State educational agencies are entitled to receive under this chapter for such year, the amount available for each grant to a State agency eligible for a grant under subpart 1, 2, or 3 of part D shall be equal to the total amount of the grant as computed under each such subpart. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are entitled to receive under subpart 1 of part A of this chapter for such year, the allocations to such agencies shall, subject to section 1006(c) and to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 percent of its allocation under subpart 1 of the part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 percent of its allocation for such year.

[(b) Additional Funds Allocation.—(1) If additional funds become available for making payments under this chapter for that year, allocations that were reduced pursuant to subsection (a) shall be increased on the same basis as they were reduced.

[(2) In order to permit the most effective use of all appropriations made to carry out this chapter, the Secretary may set dates by which (A) State educational agencies must certify to the Secretary the amounts for which the applications of educational agencies have been or will be approved by the State, and (B) State educational agencies referred to in subpart 1 of part D must file applications. If the maximum grant a local educational agency would receive (after any ratable reduction which may have been required under the first sentence of subsection (a) of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Secretary, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available by the State educational agency in furtherance of the purposes of this chapter shall be in accordance with criteria prescribed by the Secretary which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of section 1005(a) as a result of such factors as population shifts and changing economic circumstances. In the event excess amounts remain after carrying out the preceding 2 sentences of this section, such excess amounts shall be distributed among the other States as the Secretary shall prescribe for use by local educational agencies in such States for the purposes of this chapter in such manner as the respective State educational agencies shall prescribe.

[SEC. 1404. PAYMENTS FOR STATE ADMINISTRATION.

[(a) In General.—The Secretary is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this chapter (other than section 1021), except that the total of such payments in any fiscal year shall be the greater of the following:

[(1) 1 percent of the amount allocated to the State and its local educational agencies and to other State agencies as determined for that year under parts A and D; or

[(2) $325,000, or $50,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

[(b) Limitation on Indirect Costs.—Not more than 15 percent of the State administrative allocation under subsection (a) may be used for indirect costs of the grant.

[SEC. 1405. FUNDS FOR THE IMPLEMENTATION OF SCHOOL IMPROVEMENT PROGRAMS.

[(a) General Authority.—The Secretary is authorized to pay, for the purpose of carrying out program improvement plans described in section 1021, to each State an amount equal to—

[(1)(A) 0.25 percent of the amount allocated to the State and its local educational agencies as determined under parts A and D for fiscal years 1989, 1990, and 1991; and

[(B) 0.5 percent of the amount allocated to the State and its local educational agencies as determined under parts A and D for fiscal years 1992 and 1993; or

[(2)(A) $90,000 or $15,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands for fiscal years 1989, 1990, and 1991; and

[(B) $180,000 or $30,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands for fiscal years 1992 and 1993.

[(b) LIMITATIONS.—(1) No funds made available to States under subsection (a) may be used for administrative functions related to any provisions of this chapter.

[(2) Funds made available to States under this section shall only be used for direct educational services in schools implementing program improvement plans as described under section 1021.

[(3) Parents of participating children, school staff, the local educational agency and the State educational agency shall jointly agree to the selection of providers of technical assistance and the best use of funds available under subsection (a) for the effective implementation of the program improvement plan. Uses of such funds include assistance from—

[(A) an institution of higher education;

[(B) federally supported educational laboratory or center;

[(C) State personnel with expertise in educational improvement;

[(D) locally, State, or nationally based consultants; and

[(E) other possible providers of the specific services required by the school's program plan.

[SEC. 1406. LIMITATION ON GRANT TO THE COMMONWEALTH OF PUERTO RICO.

[Notwithstanding the provisions of this chapter, the amount paid to the Commonwealth of Puerto Rico under this chapter for any fiscal year shall not exceed 150 percent of the amount received by the Commonwealth of Puerto Rico under chapter 1 of the Education Consolidation and Improvement Act or under this chapter in the preceding fiscal year. Any excess over such amount shall be used to ratably increase the allocations under subpart 1 of part A of the other local educational agencies whose allocations do not exceed the maximum amount for which the agencies are eligible under section 1005.

[PART F—GENERAL PROVISIONS

[Subpart 1—Federal Administration

[SEC. 1431. FEDERAL REGULATIONS.

[(a) IN GENERAL.—The Secretary is authorized to issue such regulations as are considered necessary to reasonably ensure that there is compliance with the specific requirements and assurances required by this chapter.

[(b) PROCEDURE.—(1) Prior to publishing proposed regulations pursuant to this chapter, the Secretary shall convene regional meetings which shall provide input to the Secretary on the content of proposed regulations. Such meetings shall include representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with implementation of programs under this chapter.

[(2) Subsequent to regional meetings and prior to publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations and submit regulations on a minimum of 4 key issues to a modified negotiated rulemaking process as a demonstration of such process. The modified process shall waive application of the Federal Advisory Committee Act, but shall otherwise follow the guidance provided in the Administrative Conference of the United States in Recommendation 82–4, "Procedures for Negotiating Proposed Regulations" (47 Fed. Reg. 30708, June 18, 1982) and any successor regulation. Participants in the demonstration shall be chosen by the Secretary from among participants in the regional meetings, representing the groups described in paragraph (1) and all geographic regions. The demonstration shall be conducted in a timely manner in order that final regulations may be issued by the Secretary within the 240-day period required by section 431(g) of the General Education Provisions Act.

[(3) In an emergency situation in which regulations pursuant to this chapter must be issued within a very limited time to assist State and local educational agencies with the operation of the program, the Secretary may issue a regulation without such prior consultation, but shall immediately thereafter convene regional meetings to review the emergency regulation prior to issuance in final form.

[(c) SPECIAL RULE.—Funds made available under sections 1437 and 1463 of this chapter shall be released for expenditure by the Secretary only at such time as final regulations pertaining to this chapter are published in the Federal Register.

[(d) LIMITATION.—Programs under this chapter may not be required to follow any 1 instructional model, such as the provision of services outside the regular classroom or school program.

[SEC. 1432. AVAILABILITY OF APPROPRIATIONS.

[(a) GENERAL PROVISION.—Notwithstanding any other provision of law, unless expressly in limitation of this section, funds appropriated in any fiscal year to carry out activities under this chapter shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

[(b) CARRYOVER AND WAIVER.—Notwithstanding section 412 of the General Education Provisions Act, subsection (a) or any other provision of law—

[(1) not more than 25 percent of funds appropriated for fiscal year 1989 and 15 percent of funds appropriated for fiscal year 1990 and each subsequent year may remain available for obligation for 1 additional year;

[(2) a State educational agency may grant a 1-time waiver of the percentage limitation under paragraph (1) if the agency determines that the request by a local educational agency is reasonable and necessary or may grant a waiver in any fiscal year in which supplemental appropriations for this chapter become available for obligation; and

[(3) the percentage limitation under paragraph (1) shall not apply with respect to any local educational agency which receives less than $50,000 under this chapter for any fiscal year.

[SEC. 1433. WITHHOLDING OF PAYMENTS.

[(a) WITHHOLDING.—Whenever the Secretary, after reasonable notice to any State educational agency and an opportunity for a hearing on the record, finds that there has been a failure to comply substantially with any assurances required to be given or conditions required to be met under this chapter, the Secretary shall notify such agency of these findings and that beginning 60 days after the date of such notification, further payments will not be made to the State under this chapter, or affected part or subpart thereof (or, in the Secretarys discretion, that the State educational agency shall reduce or terminate further payments under the affected part or subpart thereof, to specified local educational agencies or State agencies affected by the failure) until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, (1) no further payments shall be made to the State under the part or subpart thereof, or (2) payments by the State educational agency under the part or subpart thereof shall be limited to local educational agencies and State agencies not affected by the failure, or (3) payments to particular local educational agencies shall be reduced, as the case may be.

[(b) Notice to Public.—Upon submission to a State of a notice under subsection (a) that the Secretary is withholding payments, the Secretary shall take such action as may be necessary to bring the withholding of payments to the attention of the public within the State.

[SEC. 1434. JUDICIAL REVIEW.

[(a) Filing Appeals.—If any State is dissatisfied with the Secretary's action under section 1433(a), such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The filing of such petition shall act to suspend any withholding of funds by the Secretary pending the judgment of the court and prior to a final action on any review of such judgment. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

[(b) Basis of Review.—For the purposes of this chapter, the basis of review shall be as provided in section 458(c) of the General Education Provisions Act.

[(c) Judicial Appeals.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari of certification as provided in section 1254 of title 28, United States Code.

[SEC. 1435. EVALUATION.

[(a) National Standards.—In consultation with State and local educational agencies (including members of State and local boards of education and parent representatives), the Secretary shall develop national standards for local evaluation of programs under this chapter. In developing such standards, the Secretary may use the Title I Evaluation and Reporting System designed and implemented under title I of this Act, as in effect prior to the date of the enactment of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 as the model. The Secretary shall provide advance notification to

State and local educational agencies of the requirements of such national standards of evaluations.

[(b) Reports.—The Secretary shall submit a comprehensive and detailed report concerning State and local evaluation results based on data collected under sections 1019, 1107, 1202(a)(6), and 1242(d) to the appropriate committees of the Congress on a biennial basis.

[SEC. 1436. COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

[(a) Policy Manual.—The Secretary shall, not later than 6 months after the publication of final regulations with respect to this chapter, prepare and distribute to State educational agencies, State agencies operating programs under part D, and local educational agencies, and shall make available to parents and other interested individuals, organizations, and agencies, a policy manual for this chapter to—

[(1) assist such agencies in (A) preparing applications for program funds under this chapter, (B) meeting the applicable program requirements under this chapter, and (C) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this chapter;

[(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this chapter;

[(3) assist parents to become involved in the planning for, and implementation and evaluation of, programs and projects under this chapter; and

[(4) ensure that officers and employees of the Department of Education, including officers and employees of the Secretary and officers and employees of such Department charged with auditing programs carried on under this chapter, uniformly interpret, apply, and enforce requirements under this chapter throughout the United States.

[(b) Contents of Policy Manual.—The policy manual shall, with respect to programs carried out under this chapter, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such items are required under section 552 of title 5, United States Code to be published or made available. The manual shall include (but not be limited to)—

[(1) a statement of the requirements applicable to the programs carried out under this chapter, including such requirements contained in this chapter, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

[(2) an explanation of the purpose of each requirement and its interrelationship with other applicable requirements;

[(3) a statement of the procedures to be followed by the Secretary with respect to proper and efficient performance of administrative responsibilities;

[(4) summaries of (A) advisory opinions interpreting and applying applicable requirements, and (B) final audit determinations relevant to programs under this chapter, including examples of actual applications of the legal requirements of applicable statutes and regulations;

[(5) model forms and instructions developed by the Secretary for use by State and local educational agencies, at their discretion, including, but not limited to, application forms, application review checklists, and instruments for monitoring programs under this chapter;

[(6) summaries of appropriate court decisions concerning programs under this chapter; and

[(7) model forms, policies, and procedures developed by State educational agencies.

[(c) RESPONSE TO INQUIRIES.—The Secretary shall respond with written guidance not more than 90 days after any written request (return receipt requested) from a State or local educational agency regarding a policy, question, or interpretation under this chapter. In the case of a request from a local educational agency, such agency must first have addressed its request to the State educational agency.

[(d) TECHNICAL ASSISTANCE.—From funds available to the Secretary for studies, evaluations, and technical assistance, the Secretary shall continue, establish, and expand technical assistance centers to provide assistance to State and local educational agencies with respect to programs under this chapter. In providing such assistance, centers shall place particular emphasis on information relating to program improvement, parental involvement, instruction, testing and evaluation, and curriculum under this chapter. Such centers shall be accessible through electronic means.

[(e) FEDERAL DISSEMINATION OF EXEMPLARY PROGRAMS.—To the extent possible, the Secretary shall provide information to State and local educational agencies regarding opportunities for dissemination of exemplary programs under this chapter through the National Diffusion Network. The Secretary shall emphasize programs which are exemplary in their implementation of the parent involvement provisions of section 1016. The Secretary shall coordinate Federal exemplary project identification activities with the National Diffusion Network.

[(f) FEDERAL REVIEW OF STATE AND LOCAL ADMINISTRATION.—The Secretary shall provide for a review of State and local administration of programs under this chapter. In addition to such other areas as the Secretary may consider appropriate, the review shall consider State policies, guidance materials, monitoring and enforcement activities, and the detection and resolution of problems of local noncompliance.

[SEC. 1437. AUTHORIZATION OF APPROPRIATIONS FOR EVALUATION AND TECHNICAL ASSISTANCE.

[There are authorized to be appropriated for the purposes of sections 1435 and 1436 for other Federal evaluation, technical assistance, and research activities related to this chapter, and authorized studies under this chapter, $4,000,000 for the fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 through 1993.

[SEC. 1438. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

[(a) GENERAL RULE.—Except as otherwise specifically provided by this section, the General Education Provisions Act shall apply to the programs authorized by this chapter.

[(b) SUPERCESSION RULE.—The following provisions of the General Education Provisions Act shall be superseded by the specified provisions of this chapter with respect to the programs authorized by this subtitle:

[(1) Section 408(a)(1) of the General Education Provisions Act is superseded by section 1431 of this chapter.

[(2) Section 426(a) of such Act is superseded by section 1437 of this chapter.

[(3) Section 427 of such Act is superseded by section 1016 of this chapter.

[(4) Section 430 of such Act is superseded by sections 1012, 1056, 1104(b), 1125, 1202(a), and 1224 of this chapter.

[(5) Section 455 of such Act is superseded by section 1433 of this chapter.

[(6) Section 458 of such Act is superseded by section 1434 of this chapter with respect to judicial review of withholding of payments.

[(c) EXCLUSION RULE.—Sections 434, 435, and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to the programs authorized by this chapter and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this chapter.

[SEC. 1439. NATIONAL COMMISSION ON MIGRANT EDUCATION.

[(a) ESTABLISHMENT.—There is established, as an independent agency within the executive branch, a National Commission on Migrant Education (referred to in this section as the "Commission").

[(b) MEMBERSHIP.—

[(1) The Commission shall be composed of 12 members. Four of the members shall be appointed by the President. Four of the members shall be appointed by the Speaker of the House, including 2 Members of the House, 1 from each political party. Four of the members shall be appointed by the President pro tempore of the Senate, including 2 Members of the Senate, 1 from each political party.

[(2) The chairman shall be designated by the President from among the members appointed by the President. If the President has not appointed 4 members of the Commission and designated a chairman within 60 days of the enactment of this Act, the members of the Commission appointed by the Speaker of the House and the President pro tempore of the Senate shall elect a chairman who shall continue to serve for the duration of the Commission.

[(3) Any vacancy in the Commission shall be filled in the same manner as the original appointment.

[(c) STUDY.—The Commission shall make a study of the following issues:

[(1) What are the demographics of the children of migratory workers today compared with 10 years ago and how are the demographics expected to change over the next decade.

[(2) What are the individual roles of the Federal, State, and private sectors in migrant affairs; how has each sector enhanced migrant educational opportunities, including entry into all types of postsecondary education programs; and should Federal programs include incentives for private and State participation.

[(3) What is the number of unserved or underserved migrant students who are eligible for the programs under this chapter nationwide and on a State-by-State basis.

[(4) How can migrant education, migrant health, migrant Head Start, Job Training Partnership programs serving migrants, HEP/CAMP, and adult literacy programs be integrated and coordinated at both the Federal and State levels.

[(5) How many migrant students are identified as potential drop-outs; how might this issue be addressed at the national policy level; and what effect does the migrant mother have on her children's performance.

[(6) How do the migrant programs under this chapter vary from State to State; how do their administrative costs vary; how do parent involvement and services vary.

[(7) What role has the Migrant Student Record Transfer System performed in assisting the migrant population; to what degree is it utilized for enhancing the education program at the local level and by the classroom teacher; is it cost effective; and how well would such a system adapt to other mobile populations like those in the inner cities or those in the Department of Defense overseas schools.

[(8) How many prekindergarten programs are available to migratory children; what services are they provided; what is the degree of parent involvement with these programs; what is a typical profile of a student in such a program.

[(9) How well are migrant handicapped and gifted and talented students identified and served; and what improvements might be made in this area.

[(10) How many of the students being served are identified as "currently migrant" and how many are "formerly migrant"; what differences are there in their needs; and how do services provided differ between those of "currently migrant" and those of "formerly migrant".

[(11) How does interstate and intrastate coordination occur at the State and local levels.

[(12) Is there a need to establish a National Center for Migrant Affairs and what are the options for funding such a Center.

[(d) REPORTS.—

[(1) The Commission shall prepare and submit reports and recommendations to the President and to the appropriate committees of the Congress on the studies required to be conducted under this section. The reports for the studies required shall be submitted as soon as practicable.

[(2) Any recommendations and reports submitted under this paragraph which contemplate changes in Federal legislation shall include draft legislation to accomplish the recommendations.

[(e) SPECIAL STUDY ON THE MIGRANT STUDENT RECORDS TRANSFER SYSTEM.—(1) The Commission shall conduct a study of the function and the effectiveness of the Migrant Student Records Transfer System.

[(2) The Commission shall prepare and submit to the Secretary of Education and to the Congress, not later than 2 years after the first meeting of the Commission, a report on the study required by paragraph (1).

[(f) COMPENSATION.—

[(1) Members of the Commission who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States; but they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

[(2) Members of the Commission who are not officers or full-time employees of the United States may each receive $150 per diem when engaged in the actual performance of duties vested in the Commission. In addition, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

[(f) STAFF.—Such personnel as the Commission deems necessary may be appointed by the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for GS–18 of the General Schedule.

[(g) ADMINISTRATION.—

[(1) The Commission or, on the authorization of the Commission, any committee thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and such places within the United States as the Commission or such committee may deem advisable.

[(2) In carrying out its duties under this section, the Commission shall consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.

[(3) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

[(4) For the purpose of securing the necessary data and information, the Commission may enter into contracts with universities, research institutions, foundations, and other competent public or private agencies. For such purpose, the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

[(5) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out this section.

[(6) The Commission is authorized to utilize, with their consent, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

[(7) The Commission shall have authority to accept in the name of the United States, grants, gifts, or bequests of money for immediate disbursement in furtherance of the functions of the Commission. Such grants, gifts, or bequests, after acceptance by the Commission, shall be paid by the donor or the donor's representative to the Treasurer of the United States whose receipts shall be their acquittance. The Treasurer of the United States shall enter them in a special account to the credit of the Commission for the purposes in each case specified.

[(8) Six members of the Commission shall constitute a quorum, but a lesser number of 2 or more may conduct hearings.

[(h) TERMINATION.—The Commission shall terminate 3 years after the date of its first meeting.

[(i) AUTHORIZATION OF APPROPRIATIONS.—Effective October 1, 1988, there is authorized to be appropriated $2,000,000 to carry out the provisions of this section, which shall remain available until expended or until the termination of the Commission, whichever occurs first.

[Subpart 2—State Administration

[SEC. 1451. STATE REGULATIONS.

[(a) IN GENERAL.—(1) Except as provided in paragraph (2), nothing in this chapter may be interpreted to preempt, prohibit, or encourage State regulations issued pursuant to State law which are not inconsistent with the provisions of this chapter, regulations promulgated under this chapter, or other applicable Federal statutes and regulations.

[(2) State rules or policies may not limit local school districts' decisions regarding the grade levels to be served; the basic skills areas (such as reading, mathematics, or language arts) to be addressed; instructional settings, materials or teaching techniques to be used; instructional staff to be employed (as long as such staff meet State certification and licensing requirements for education personnel); or other essential support services (such as counseling and other pupil personnel services) to be provided as part of the programs authorized under this chapter.

[(3) Nothing in this subsection may be construed to inhibit the State educational agency's responsibility to work jointly with local educational agencies and other State agencies receiving funds under this chapter in program improvement activities pursuant to section 1021 where the State may suggest various activities and approaches as it works with such agencies to develop program improvement plans.

[(b) REVIEW BY COMMITTEE OF PRACTITIONERS.—Before publication of any proposed or final State rule or regulation pursuant to this chapter, each such rule shall be reviewed by a State committee of practitioners which shall include administrators, teachers, parents, and members of local boards of education, and on which a majority of the members shall be local educational agency representatives. In an emergency situation where such regulation must be issued within a very limited time to assist local educational agencies with the operation of the program, the State educational agency may issue a regulation without such prior consultation, but shall immediately thereafter convene a State committee of practitioners to review the emergency regulation prior to issuance in final form.

[(c) IDENTIFICATION AS STATE REQUIREMENT.—The imposition of any State rule or policy relating to the administration and operation of programs funded by this chapter (including those based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.

[SEC. 1452. RECORDS AND INFORMATION.

[Each State educational agency shall keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter).

[SEC. 1453. ASSIGNMENT OF PERSONNEL.

[(a) LIMITATIONS.—Public school personnel paid entirely by funds made available under this chapter may be assigned limited supervisory duties which are assigned to similarly situated personnel who are not paid with such funds, and such duties need not be limited to classroom instruction or to the benefit of children participating in programs or projects funded under this chapter. The time spent by public school personnel on duties described in the preceding sentence may not exceed either—

[(1) the same proportion of total work time as prevails with respect to similarly situated personnel at the same school site, or

[(2) one period per day,

whichever is less.

[(b) USE IN STATE PROGRAMS.—If a State carries out a program as defined under section 1018(d), the State may use funds under this chapter to pay salaries of personnel assigned to both the State program and the program under this chapter for administration, training, and technical assistance, if the State educational agency maintains time distribution records reflecting the actual amount of time spent by each such employee signed by that employee's supervisor, and costs are charged on a prorated basis to both programs.

[SEC. 1454. PROHIBITION REGARDING STATE AID.

[No State shall take into consideration payments under this chapter in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children.

[Subpart 3—Rural Educational Opportunities

[SEC. 1456. PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—The Secretary shall make grants to, or enter into contracts with, institutions of higher education, private nonprofit agencies and organizations, regional educational laboratories, technical assistance centers established pursuant to section 1436(d), public agencies, State education agencies, or combinations of such agencies or institutions within particular regions of the United States, to pay all or part of the cost of operating at least 10 rural assistance programs. The Secretary may not make a grant to, or enter into a contract with, any agency, institution, organization, or combination thereof under the preceding sentence unless such agency, institution, organization, or combination thereof has extensive experience providing educational assistance to State and local educational agencies.

[(b) FUNCTIONS OF REGIONAL RURAL ASSISTANCE PROGRAMS.—Each regional rural assistance program established under subsection (a) shall provide technical assistance, consultation, training, and such other assistance as will assist State educational agencies and local educational agencies in the region to improve the quality of the education provided to educationally disadvantaged children participating in programs under this chapter who reside in rural areas or attend small schools. Each such program shall give special consideration to, and report on, problems related to districts with declining enrollments and ways in which districts can combine management to provide effective programs.

[SEC. 1457. APPLICATION PRIORITY REQUIREMENTS.

[(a) In carrying out this subpart, the Secretary shall give priority to applicants which describe assistance to school districts in local educational agencies in rural areas—

[(1) with the highest concentrations of children from low-income families;

[(2) that have a significant number or percentage of schools serving children from low-income families; and

[(3) in which there are a significant number of schools in which evaluations indicate lack of substantial progress toward meeting desired outcomes, no improvement, or a decline in aggregate performance by the children participating in programs under this chapter.

[(b) Applicants shall consult with State educational agencies and local educational agencies in the application process.

[SEC. 1458. COORDINATION, DISSEMINATION, AND REPORT.

[(a) COORDINATION.—Each program established under this subpart shall—

[(1) coordinate its activities with technical assistance centers established under section 1436(d),

[(2) coordinate its activities with the activities of local educational agencies and State educational agencies under section 1021, and

[(3) assist in identifying successful programs and practices for dissemination through existing dissemination networks and efforts.

[(b) DISSEMINATION AND REPORT.—(1) Each rural assistance program shall be accessible through electronic means.

[(2) Regional rural assistance programs shall submit a report to the Secretary every 2 years containing such reasonable information about its activities as the Secretary may request, but including at a minimum information on efforts to provide effective services under this chapter in rural school districts facing declining enrollments, with particular attention to issues inherent in consolidating, jointly administering, or otherwise combining the resources of 2 or more districts.

[SEC. 1459. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $10,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993.

[Subpart 4—Studies

[SEC. 1461. REPORT ON STATE AND LOCAL EVALUATIONS.

[The Secretary shall submit a comprehensive and detailed report concerning State and local evaluation results based on data collected under sections 1019, 1107(a), 1202(a)(6), and 1242(d) to the appropriate committees of the Congress on a biennial basis.

[SEC. 1462. NATIONAL STUDY ON EFFECT OF PROGRAMS ON CHILDREN.

[(a) NATIONAL LONGITUDINAL STUDY.—The Secretary shall contract with a qualified organization or agency to conduct a national longitudinal study of eligible children participating in programs under this chapter. The study shall assess the impact of participation by such children in chapter 1 programs until they are 18 years of age. The study shall compare educational achievement of those children with significant participation in chapter 1 programs and comparable children who did not receive chapter 1 services. Such study shall consider the correlations between participation in programs under this chapter and academic achievement, delinquency rates, truancy, school dropout rates, employment and earnings, and enrollment in postsecondary education. The study shall be conducted throughout the country in urban, rural, and suburban areas and shall be of sufficient size and scope to assess and evaluate the effect of the program in all regions of the Nation.

[(b) FOLLOW-UP.—The agency or organization with which the Secretary has entered a contract under subsection (a) shall conduct a follow-up of the initial survey which shall include a periodic update on the participation and achievement of a representative group of children who participated in the initial study. Such follow-up shall evaluate the effects of participation until such children are 25 years of age.

[(c) REPORT.—A final report summarizing the findings of the study shall be submitted to the appropriate committees of the Congress not later than January 1, 1997; an interim report shall be so submitted not later than January 1, 1993.

[SEC. 1463. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $4,000,000 for the fiscal year 1989, $4,200,000 for the fiscal year 1990, $4,400,000 for the fiscal year 1991, $4,700,000 for the fiscal year 1992, and

$5,000,000 for the fiscal year 1993 for carrying out sections 1461 and 1462.

[Subpart 5—Definitions

[SEC. 1471. DEFINITIONS.

[Except as otherwise provided, for purposes of this Act:

[(1) The term "average daily attendance" means attendance determined in accordance with State law, except that notwithstanding any other provision of this chapter, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this chapter the attendance of such child at such school shall be held and considered (A) to be in attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (B) not to be in attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

[(2) The term "average per pupil expenditure" means in the case of a State or the United States, the aggregate current expenditures, during the third fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies in the State, or in the United States (which for the purposes of this subsection means the 50 States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

[(3) The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

[(4) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

[(5) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

[(6) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance, and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under this chapter, chapter 2 of this title, or chapter 1 or 2 of the Education Consolidation and Improvement Act of 1981.

[(7) The term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objective of (A) promoting school-level planning, instructional improvement, and staff development, (B) increasing the academic achievement levels of all children and, particularly, educationally deprived children, and (C) achieving as ongoing conditions in the school the following factors identified through effective school research as distinguishing effective from ineffective schools—

[(i) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

[(ii) emphasis on the acquisition of basic and higher order skills;

[(iii) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

[(iv) a climate of expectations that all children can learn under appropriate conditions; and

[(v) continuous assessment of students and programs to evaluate the effects of instruction.

[(8) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

[(9) The term "equipment" includes machinery, utilities, and building equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

[(10) The term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965.

[(11) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that such term does not include any education provided beyond grade 12.

[(12) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

[(13) The term "more advanced skills" means skills including reasoning, analysis, interpretation, problem-solving, and decisionmaking as they relate to the particular subjects in which instruction is provided under programs supported by this chapter.

[(14) The term "parent" includes a legal guardian or other person standing in loco parentis.

[(15) The term "parent advisory council" means a body composed primarily of members who are parents of children served by the programs or projects assisted under this chapter and who are elected by such parents, in order to advise the State or local educational agency in the planning, implementation, and evaluation of programs under this chapter.

[(16) The term "project area" means a school attendance area having a high concentration of children from low-income families which, without regard to the locality of the project itself, is designated as an area from which children are to be selected to participate in a program or project assisted under this chapter.

[(17) The terms "pupil services personnel" and "pupil services" mean school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services as part of a comprehensive program to meet student needs, and the services provided by such individuals.

[(18) The term "school attendance area" means in relation to a particular school, the geographical area in which the children who are normally served by that school reside.

[(19) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

[(20) The term "Secretary" means the United States Secretary of Education.

[(21) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

[(22) The term "State" means a State, the Commonwealth of Puerto Rico, Guam, the District of Columbia, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

[(23) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

[Subpart 6—Miscellaneous Provisions

[SEC. 1491. TRANSITION PROVISIONS.

[(a) REGULATIONS.—All orders, determinations, rules, regulations, permits, grants, and contracts, which have been issued by the Secretary under chapter 1 of the Education Consolidation and Improvement Act of 1981 and title I of this Act (as in effect on the date before the effective date of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988), or which are issued under such Acts on or before the effective date of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law.

[(b) EFFECT ON PENDING PROCEEDINGS.—The provisions of this chapter shall not affect administrative or judicial proceedings pending on the effective date of this section under chapter 1 of the Education Consolidation and Improvement Act of 1981 or this title.

[(c) TRANSITION.—With respect to the period beginning on July 1, 1988, and ending June 30, 1989, no recipient of funds under this chapter, or chapter 2 of this title, or under chapter 1 or 2 of the Education Consolidation and Improvement Act of 1981 shall be held to have expended such funds in violation of the requirements of this Act or of such Act if such funds are expended either in accordance with this Act or such Act.

[CHAPTER 2—FEDERAL, STATE, AND LOCAL PARTNERSHIP FOR EDUCATIONAL IMPROVEMENT

[SEC. 1501. FINDINGS AND STATEMENT OF PURPOSE.

[(a) FINDINGS.—The Congress finds that—

[(1) chapter 2 of the Education Consolidation and Improvement Act of 1981 has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs;

[(2) State and local governments have placed a new focus on education;

[(3) school effectiveness can be increased through effective schools programs to improve student achievement, student behavior, teaching, learning, and school management; and

[(4) teachers make a significant and positive contribution to the education of our Nation's students, and local educational agencies are encouraged to recognize this contribution.

[(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this chapter—

[(1) to provide the initial funding to enable State and local educational agencies to implement promising educational programs that can be supported by State and local sources of funding after such programs are demonstrated to be effective;

[(2) to provide a continuing source of innovation, educational improvement, and support for library and instructional materials;

[(3) to meet the special educational needs of at risk and high cost students, as described in section 1531(b);

[(4) to enhance the quality of teaching and learning through initiating and expanding effective schools programs; and

[(5) to allow State and local educational agencies to meet their educational needs and priorities for targeted assistance described in section 1531.

[(c) State and Local Responsibility.—The basic responsibility for the administration of funds made available under this chapter is in the State educational agencies, but it is the intent of Congress that this responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this chapter will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most directly responsible to parents and because they are the most likely to be able to design programs to meet the educational needs of students in their own districts.

[SEC. 1502. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

[(a) Authorization.—There are authorized to be appropriated $580,000,000 for the fiscal year 1989, $610,000,000 for the fiscal year 1990, $640,000,000 for the fiscal year 1991, $672,000,000 for the fiscal year 1992, and $706,000,000 for the fiscal year 1993, to carry out the provisions of this chapter.

[(b) Duration of Assistance.—During the period beginning October 1, 1988, and ending September 30, 1993, the Secretary shall, in accordance with the provisions of this chapter, make payments to State educational agencies for the purpose of this chapter.

[PART A—STATE AND LOCAL PROGRAMS

[Subpart 1—General Provisions

[SEC. 1511. ALLOTMENT TO STATES.

[(a) Reservations.—(1) From the sums appropriated to carry out this chapter in any fiscal year, the Secretary shall reserve not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

[(2) The Secretary shall reserve an additional amount, not to exceed 6 percent of the sums appropriated in each fiscal year, to carry out the provisions of part B.

[(b) Allotment.—From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

[(c) Definitions.—For purposes of this section—

[(1) The term "school-age population" means the population aged 5 through 17.

[(2) The term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 1512. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

[(a) DISTRIBUTION RULE.—From the sum made available each year under section 1511, the State educational agency shall distribute not less than 80 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

[(1) children living in areas with high concentrations of low-income families,

[(2) children from low-income families, and

[(3) children living in sparsely populated areas.

[(b) CALCULATION OF ENROLLMENTS.—(1) The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

[(A) the number of children enrolled in public schools, and

[(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this chapter,

for the fiscal year preceding the fiscal year in which the determination is made. Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this chapter.

[(2)(A) Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

[(i) children living in areas with high concentrations of low-income families,

[(ii) children from low-income families, or

[(iii) children living in sparsely populated areas.

[(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

[(c) PAYMENT OF ALLOCATIONS.—

[(1) From the funds paid to it pursuant to section 1511 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 1533 the amount of its allocation as determined under subsection (a).

[(2)(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

[(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

[(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

[Subpart 2—State Programs

[SEC. 1521. STATE USES OF FUNDS.

[(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds reserved for State use under this chapter only for—

[(1) State administration of programs under this chapter including—

[(A) supervision of the allocation of funds to local educational agencies;

[(B) planning, supervision, and processing of State funds;

[(C) monitoring and evaluation of programs and activities under this part; and

[(D) operations of the State advisory committee;

[(2) technical assistance and direct grants to local educational agencies and statewide activities which assist local educational agencies to provide targeted assistance as provided in section 1531; and

[(3) assistance to local educational agencies and statewide activities to carry out effective schools programs under subpart 4.

[(b) LIMITATIONS AND REQUIREMENTS.—

[(1) Not more than 25 percent of funds available for State programs under this part in any fiscal year may be used for State administration under subsection (a)(1).

[(2)(A) At least 20 percent of funds available for State programs under this part in any fiscal year shall be used for effective schools programs under subsection (a)(3).

[(B) If a State is spending from non-Federal sources an amount equal to twice as much as the State is required to use for the purposes of subsection (a)(3), the Secretary may waive the requirement of subparagraph (A). In deciding whether or not to grant such a waiver, the Secretary shall use the definition of effective schools contained in section 1471(18).

[SEC. 1522. STATE APPLICATIONS.

[(a) APPLICATION REQUIREMENTS.—Any State which desires to receive grants under this chapter shall submit to the Secretary an application which—

[(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this chapter;

[(2) provides for a process of active and continuing consultation with the State educational agency of an advisory committee, appointed by the Governor and determined by the Governor to be broadly representative of the educational interests and the general public in the State, including individuals representative of—

[(A) public and private elementary and secondary schoolchildren;

[(B) classroom teachers;

[(C) parents of elementary and secondary schoolchildren;

[(D) local boards of education;

[(E) local and regional school administrators (including principals, superintendents, and administrators of intermediate educational units);

[(F) institutions of higher education;

[(G) the State legislature;

[(H) elementary and secondary school librarians; and

[(I) school counselors and other pupil services personnel,

to advise the State educational agency on the allocation among targeted programs in accordance with section 1531 (not to exceed 20 percent of the amount of the State's allotment) reserved for State use under section 1512(a), on the formula for the allocation of funds to local educational agencies, and on the planning, development, support, implementation, and evaluation of State programs assisted under this chapter;

[(3)(A) sets forth planned allocation of funds reserved for State use under section 1512(a) among the targeted assistance programs described in section 1531 and describes programs, projects, and activities which are designed to carry out such targeted assistance, together with the reasons for the selection of such programs, projects, and activities; and

[(B) sets forth the allocation of such funds required to implement section 1572;

[(4) describes how funds reserved under section 1521(b)(2) will be used to carry out subpart 4;

[(5) provides for timely public notice and public dissemination of the information provided pursuant to paragraphs (2) and (3);

[(6)(A) provides for an annual submission of data on the use of funds, the types of services furnished, and the students served under this chapter;

[(B) in fiscal year 1992, provides for an evaluation of the effectiveness of programs assisted under this chapter, which shall include comments of the advisory committee, and shall be made available to the public;

[(7) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter);

[(8) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this chapter, the State educational agency has not exercised and will not exercise any influence in the decisionmaking processes of local educational agencies as to the expenditures made pursuant to an application under section 1531;

[(9) provides the following information: (A) how the State will adjust its formula to comply with section 1512(b)(2), (B) how children under section 1512(b)(2)(A) are defined, (C) the basis on which a determination of the local educational agencies under section 1512(b)(2)(A) is made, and (D) the percentage of the State grant which is proposed to be allotted on an adjusted basis under section 1512; and

[(10) contains assurances that there is compliance with the specific requirements of this chapter.

[(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) AUDIT RULE.—Notwithstanding section 1745 of the Omnibus Budget Reconciliation Act of 1981, local educational agencies receiving less than an average $5,000 each year under this chapter need not be audited more frequently than once every 5 years.

[Subpart 3—Local Targeted Assistance Programs

[SEC. 1531. TARGETED USE OF FUNDS.

[(a) GENERAL RULE.—Funds allocated for use under this chapter shall be used by State and local educational agencies for targeted assistance described in subsection (b).

[(b) TARGETED ASSISTANCE.—The targeted assistance programs referred to in subsection (a) are—

[(1) programs to meet the educational needs of students at risk of failure in school and of dropping out and students for whom providing an education entails higher than average costs;

[(2) programs for the acquisition and use of instructional and educational materials, including library books, reference materials, computer software and hardware for instructional use, and other curricular materials that would be used to improve the quality of instruction;

[(3) innovative programs designed to carry out schoolwide improvements, including the effective schools program;

[(4) programs of training and professional development to enhance the knowledge and skills of educational personnel, including teachers, librarians, school counselors and other pupil services personnel, and administrators and school board members;

[(5) programs of training to enhance the ability of teachers and school counselors to identify, particularly in the early grades, students with reading and reading-related problems that place such students at risk for illiteracy in their adult years;

[(6) programs designed to enhance personal excellence of students and student achievement, including instruction in ethics, performing and creative arts, humanities, activities in physical fitness and comprehensive health education, and participation in community service projects; and

[(7) other innovative projects which would enhance the educational program and climate of the school, including programs for gifted and talented students, technology education programs, early childhood education programs, community education and programs for youth suicide prevention.

[SEC. 1532. AUTHORIZED ACTIVITIES.

[(a) In General.—Activities authorized under this subpart may include the planning, development, or operation and expansion of programs, projects, and activities which are designed to carry out the targeted assistance described in section 1531. Such activities may include—

[(1) training of educational personnel in any of the targeted assistance programs described;

[(2) guidance and counseling services; and

[(3) any other education or related activities which the State or local educational agency determines will contribute to improving the programs described in section 1531.

[(b) Administrative Authority.—In order to conduct the activities authorized by this part, each State or local educational agency may use funds reserved for this part to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

[SEC. 1533. LOCAL APPLICATIONS.

[(a) Contents of Application.—A local educational agency or consortia of local educational agencies may receive an allocation of funds under this chapter for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

[(1)(A) sets forth the planned allocation of funds among targeted assistance programs described in section 1531 of this chapter and describes the programs, projects, and activities designed to carry out such targeted assistance which it intends to support, together with the reasons for the selection of such programs, projects, and activities; and

[(B) sets forth the allocation of such funds required to implement section 1572;

[(2) describes how assistance under this chapter will contribute to the goals of the program of improving student achievement or improving the quality of education for students;

[(3) provides assurances of compliance with provisions of this chapter including the participation of children enrolled in private, nonprofit schools in accordance with section 1572;

[(4) agrees to keep such records, and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this chapter; and

[(5) provides, in the allocation of funds for the assistance authorized by this chapter, and in the design, planning, and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this chapter (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

[(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed 3 fiscal years, may provide for the allocation of funds among programs and purposes authorized by this chapter for a period of 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

[(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this chapter, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the areas of targeted assistance of this subpart. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this chapter and are intended to meet the educational needs within the schools of that local educational agency.

[Subpart 4—Effective Schools Programs

[SEC. 1541. ESTABLISHMENT.

[Funds shall be available under this chapter in accordance with sections 1521 and 1531 to—

[(1) plan, implement, support, evaluate, revise, and strengthen effective schools programs;

[(2) plan and conduct training and other professional development activities for teachers, administrators and other education personnel on the implementation of effective schools programs;

[(3) provide technical assistance and promote State and local educational agency awareness of effective schools research, model programs, and implementation;

[(4) develop and implement systems to evaluate and analyze effective schools programs;

[(5) improve parent and community involvement and participation as part of an ongoing effective schools program;

[(6) support model and demonstration programs related to effective schools programs; and

[(7) develop and disseminate educational materials related to effective schools programs.

[SEC. 1542. EFFECTIVE SCHOOLS.

[For the purposes of this chapter the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objectives of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally deprived children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

[(A) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

[(B) emphasis on the acquisition of basic and higher order skills;

[(C) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

[(D) a climate of expectation that virtually all children can learn under appropriate conditions; and

[(E) continuous assessment of students and programs to evaluate the effects of instruction.

[PART B—NATIONAL PROGRAMS AND ACTIVITIES

[SEC. 1561. GENERAL AUTHORITY.

[(a) Authorization.—From funds reserved under section 1511(a)(2), the Secretary is authorized to carry out the programs and activities under this part.

[(b) Priority Funding.—Subject to the availability of funds for any fiscal year for this part, the Secretary shall make available—

[(1) not less than $11,200,000 for National Diffusion Network activities under section 1562;

[(2) not less than $8,200,000 for the Inexpensive Book Distribution program under section 1563;

[(3) not less than $3,500,000 for the Arts in Education program under section 1564;

[(4) not less than $3,200,000 for the law-related education program under section 1565; and

[(5) not more than $1,500,000 for the Blue Ribbon Schools program under section 1566.

[SEC. 1562. NATIONAL DIFFUSION NETWORK ACTIVITIES.

[(a) Purposes.—The National Diffusion Network shall be a national program that recognizes and furthers excellence in education by—

[(1) promoting the awareness and implementation of exemplary educational programs, products, and practices to interested elementary, secondary, and postsecondary institutions throughout the Nation; and

[(2) promoting the utilization of the knowledge, talents, and services of local staff associated with various educational excellence recognition efforts.

The National Diffusion Network shall be designed to improve the quality of education through the implementation of promising and validated innovations and improvements in educational programs, products, and practices, and through the provision of training, consultation, and related assistance services.

[(b) Responsibilities of Secretary.—In carrying out the activities under this section, which shall be limited to activities directly related to the National Diffusion Network, the Secretary shall—

[(1) acquaint persons responsible for the operation of elementary, secondary, and postsecondary schools with information about exemplary educational programs, products, practices, and services;

[(2) assist such persons in implementing programs, products, and practices which such persons determine may improve the quality of education in the schools for which they are responsible, by providing materials, initial training, and ongoing implementation assistance;

[(3) ensure that all such activities, programs, products, and practices are subjected to rigorous evaluation with respect to their effectiveness and their capacity for implementation;

[(4) provide program development assistance toward the recognition, dissemination, and implementation of promising practices that hold the potential for answering critical needs and that have achieved credibility because of their effective use in schools; and

[(5) ensure that a substantial percentage of the innovations disseminated represent significant changes in practice for schools and teachers.

In carrying out paragraph (3) of this section, the Secretary shall conduct a single external review by a program effectiveness panel that focuses exclusively on whether the program is efficacious and transferable to other educational settings. Any activity, program, product, or practice which meets the criteria of the preceding sentence may then be disseminated through the National Diffusion Network, and each eligible recipient (as described in subsection (c)) may apply for assistance in accordance with subsection (d).

[(c) ELIGIBLE RECIPIENTS OF GRANTS AND CONTRACTS.—For the purpose of carrying out the activities under this section, the Secretary is authorized to make grants to, and contracts with, local educational agencies, State educational agencies, institutions of higher education, and other public and private nonprofit educational institutions and organizations.

[(d) FUNDING CRITERIA.—(1) For the purpose of determining which projects to fund under this section, the Secretary shall assess the extent to which the projects meet the following criteria:

[(A) The applicant has a workable plan for disseminating its program.

[(B) The program's approach is innovative.

[(C) The program is accurate and up-to-date.

[(2) Each applicant for assistance under this section shall submit statements and supporting materials as required by the Secretary but shall not be required to submit more than a representative sample of the program materials of the applicant.

[(3) In establishing regulations under this section, including the specific evaluation criteria under paragraph (1), the Secretary shall consult with interested parties, including participants in the National Diffusion Network.

[(4) For fiscal year 1988 only, the Secretary shall assess applications for financial assistance under this section on the basis of the application or reapplication proposals.

[SEC. 1563. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

[(a) Authorization.—The Secretary is authorized (1) to enter into a contract with Reading is Fundamental (RIF) (hereinafter in this section referred to as the "contractor"), a private nonprofit organization which has as its primary purpose the motivation of children to learn to read, to support and promote the establishment of reading motivation programs which include the distribution of inexpensive books to students, and (2) to pay the Federal share of the cost of such programs.

[(b) Requirements of Contract.—The contract shall provide that—

[(1) the contractor will enter into subcontracts with local private nonprofit groups or organizations or with public agencies (hereinafter referred to as "subcontractors") under which the subcontractors will agree to establish, operate, and provide the non-Federal share of the cost of reading motivational programs which include the distribution of books by gift or loan, to preschool and elementary and secondary school children;

[(2) funds made available by the Secretary to a contractor pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating reading motivational programs as provided in paragraph (1);

[(3) in the fiscal year 1991 and each succeeding fiscal year, the contractor will give priority in the selection of additional local programs to programs and projects which serve children and students with special needs including, at a minimum—

[(A) low-income children (particularly such children in high poverty areas);

[(B) children at risk for school failure;

[(C) children with disabilities;

[(D) emotionally disturbed children;

[(E) foster children;

[(F) homeless children;

[(G) migrant children;

[(H) children without access to libraries;

[(I) institutionalized or incarcerated children; and

[(J) children whose parents are institutionalized or incarcerated; and

[(4) the contractor will meet such other conditions and standards as the Secretary determines to be necessary to assure the effectiveness of the programs authorized by this section and will provide such technical assistance as may be necessary to carry out the purposes of this section.

[(c) Restriction on Payments.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books pursuant to a contract authorized by this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

[(d) DEFINITIONS.—For purposes of this section the term "Federal share" means—

[(1) with respect to the cost of books purchased by a subcontractor for a program in a locality for distribution of such books to children in that locality, 75 percent of the cost to such subcontractor; or

[(2) with respect to the cost of books purchased by a subcontractor for a program of distribution of books to children of migrant or seasonal farmworkers, 100 percent of the cost to such subcontractor for such books.

[SEC. 1564. ARTS IN EDUCATION PROGRAM.

[The Secretary shall carry out a program of grants and contracts to encourage and assist State and local educational agencies and other public and private agencies, organizations, and institutions to establish and conduct programs in which the arts are an integral part of elementary and secondary school curricula such as—

[(1) programs with public and private cultural organizations, agencies, and institutions, including museums, libraries, and theaters;

[(2) a program to develop and implement model projects and programs in the performing arts for children and youth, through arrangements made with the John F. Kennedy Center for the Performing Arts; and

[(3) a program for the identification, development and implementation of model programs and projects in the arts for individuals with handicaps through arrangements with the organization Very Special Arts.

[SEC. 1565. LAW-RELATED EDUCATION PROGRAM.

[(1)(a) AUTHORIZATION.—The Secretary shall carry out a program of grants and contracts to encourage State and local educational agencies and other public and private nonprofit agencies, organizations, and institutions to provide law-related education programs.

[(2) The Secretary shall give priority for grants and contracts under this section to agencies, organizations, and institutions described in paragraph (1) that plan to operate statewide programs.

[(3)(A) Except as provided in subparagraph (B), the Secretary shall award grants and enter into contracts under this section for periods of 2 or 3 years.

[(B) The Secretary may award a grant or enter into a contract under this section for a period of less than 2 years in any case in which the Secretary determines that special circumstances exist.

[(b) DEFINITION.—For the purpose of this section, the term "law-related education" means education to equip nonlawyers with knowledge and skills pertaining to the law, the legal process, the legal system, and the fundamental principles and values on which they are based.

[(c) AUTHORIZED ACTIVITIES.—Funds made available for the purposes of this section may be available for activities such as—

[(1) awareness activities to provide educators, law-related personnel, and the public with an understanding of what law-related education is;

[(2) support for new and ongoing programs in elementary and secondary schools, adult education, community organizations, and institutions of higher education, to provide law-related education, to develop materials and methods, to conduct pilot and demonstration projects, and to disseminate the products of such activities;

[(3) clearinghouse and technical assistance, to collect and provide information and assistance to institutions, groups, agencies, organizations, and individuals to aid in establishing, improving, and expanding law-related education activities;

[(4) training for law-related personnel in the substance and practice of law-related education, including preservice and inservice seminars, workshops, institutes, and courses;

[(5) research and evaluation to study and improve the effectiveness of materials and methods in law-related education;

[(6) involvement of law-related organizations, agencies, and personnel, such as lawyers, law schools, law students, and law enforcement personnel in the provision of law-related education activities; and

[(7) youth internships for outside-the-classroom experiences with the law and the legal system.

[(d) APPLICATIONS.—

[(1) Any agency, organization, or institution described in subsection (a)(1) that desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(2) The Secretary shall convene a panel of experts for purposes of reviewing applications submitted under paragraph (1). Such experts shall be individuals who have experience in and are familiar with law-related education.

[SEC. 1566. BLUE RIBBON SCHOOLS PROGRAM.

[(a) GENERAL AUTHORITY.— Subject to subsection (d), the Secretary is authorized to carry out programs to recognize elementary and secondary schools or programs which have established standards of excellence and which have demonstrated a high level of quality. Such programs shall be designated as "Blue Ribbon Schools". In selecting schools and programs to be recognized, the Secretary shall competitively select public and private schools or programs within local educational agencies in the States, schools operated for Indian children by the Department of the Interior, and schools operated by the Department of Defense for dependents of Department of Defense personnel.

[(b) SELECTION PROCESS.—(1) The Secretary shall designate, each fiscal year, several categories for a Blue Ribbon Schools program. Such categories may include, but shall not be limited to, outstanding elementary schools, outstanding secondary schools, outstanding mathematics and science programs, or outstanding reading programs.

[(2) Within each category, the Secretary shall determine the criteria and procedures for selection. Selection for such awards shall be based solely on merit. Schools or programs selected for awards under this section shall not be required to be representative of the States.

[(c) ADMINISTRATIVE PROVISIONS.—(1) The Secretary shall carry out the provisions of this section including the establishment of the selection procedures, after consultation with appropriate outside parties.

[(2) No award may be made under this section unless the local educational agency submits an application to the Secretary at such time, in such manner, and containing such information, as the Secretary may reasonably require.

[(3) For the purposes of this section, the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

[(d) BLUE RIBBON AWARDS FOR CORRECTIONAL EDUCATION PROGRAMS.—The Secretary, through nominations provided by the Office on Correctional Education after consultation with representatives of correctional education organizations and others active in literacy education, shall annually make 1 or more awards under this section to effective and innovative programs for inmate education and literacy.

[PART C—GENERAL ADMINISTRATIVE PROVISIONS

[SEC. 1571. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

[(a) MAINTENANCE OF EFFORT.—(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this chapter for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

[(2) The Secretary shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

[(3) The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(b) FEDERAL FUNDS SUPPLEMENTARY.—A State or local educational agency may use and allocate funds received under this chapter only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this chapter, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

[SEC. 1572. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

[(a) PARTICIPATION ON EQUITABLE BASIS.—(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this chapter or which serves the area in which a program or project assisted under this chapter is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use, such agency, after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this chapter.

[(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this chapter.

[(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this chapter by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

[(b) Equal Expenditures.—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this chapter for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this chapter are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

[(c) Funds.—(1) The control of funds provided under this chapter, and title to materials, equipment, and property repaired, remodeled, or constructed therewith, shall be in a public agency for the uses and purposes provided in this chapter, and a public agency shall administer such funds and property.

[(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this chapter shall not be commingled with State or local funds.

[(d) State Prohibition Waiver.—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

[(e) Waiver and Provision of Services.—(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

[(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

[(f) Determination.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

[(g) Payment From State Allotment.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this chapter.

[(h) Review.—(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

[(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

[(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

[(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

[(i) Prior Determination.—Any bypass determination by the Secretary under chapter 2 of the Education Consolidation and Improvement Act of 1981 shall to the extent consistent with the purposes of this chapter apply to programs under this chapter.

[SEC. 1573. EVALUATIONS AND REPORTING.

[(a) Local Educational Agencies.—A local educational agency which receives financial assistance under this chapter shall report annually to the State educational agency on the use of funds under section 1531. Such reporting shall be carried out in a manner which minimizes the amount of paperwork required while providing the State educational agency with the necessary information under the preceding sentence. Such report shall be made available to the public.

[(b) State Educational Agencies.—A State educational agency which receives financial assistance under this chapter shall evaluate the effectiveness of State and local programs under this chapter in accordance with section 1522(a)(6)(B). That evaluation shall be submitted for review and comment by the State advisory committee and shall be made available to the public. The State educational agency shall submit to the Secretary a copy of the evaluation and a summary of the reports under subsection (a).

[(c) Reports.—(1) The Secretary, in consultation with State and local educational agency representatives, shall develop a model system which State educational agencies may use for data collection and reporting under this chapter.

[(2)(A) The Secretary shall submit annually a report to the Congress for the use of funds, the types of services furnished, and the students served under this chapter.

[(B) The Secretary shall not later than October 1, 1992, submit a report to the Congress summarizing evaluations under subsection (b) in order to provide a national overview of the uses of funds and effectiveness of programs under this chapter.

[SEC. 1574. FEDERAL ADMINISTRATION.

[(a) Technical Assistance.—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this chapter, particularly with respect to implementation of the programs and activities under subpart 4.

[(b) Rulemaking.—The Secretary shall issue regulations under this chapter only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this chapter.

[(c) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out activities under this chapter shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

[(d) SPECIAL RULE.—The provisions of sections 1433 and 1434 shall apply to the programs authorized by this chapter.

[SEC. 1575. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

[(a) GENERAL RULE.—Except as otherwise specifically provided by this section, the General Education Provisions Act shall apply to the programs authorized by this chapter.

[(b) APPLICABILITY.—The following provisions of the General Education Provisions Act shall be superseded by the specified provisions of this chapter with respect to the programs authorized by this chapter:

[(1) Section 408(a)(1) of the General Education Provisions Act is superseded by section 1574(b) of this chapter.

[(2) Section 426(a) of such Act is superseded by section 1574(a) of this chapter.

[(3) Section 427 of such Act is superseded by section 1534(a)(5) of this chapter.

[(4) Section 430 of such Act is superseded by sections 1522 and 1533 of this chapter.

[(c) SPECIAL RULE.—Sections 434, 435, and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, may not apply to the programs authorized by this chapter and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this chapter.

[SEC. 1576. TRANSITION PROVISIONS.

[(a) REGULATIONS.—All orders, determinations, rules, regulations, permits, grants, and contracts, which have been issued under chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981 (as in effect on the date before the effective date of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988), or which are issued under such Act on or before the effective date of this Act shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law other than this Act.

[(b) EFFECT ON PENDING PROCEEDINGS.—The provisions of this chapter shall not affect administrative or judicial proceedings pending on the effective date of this Act under chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981.

[(c) TRANSITION.—With respect to the period beginning July 1, 1988, and ending June 30, 1989, no recipient of funds under this Act or chapter 2 of the Education Consolidation and Improvement Act of 1981 shall be held to have expended such funds in violation of the requirements of this Act or of such Act if such funds are expended in accordance with this Act or such Act.

[TITLE II—CRITICAL SKILLS IMPROVEMENT

[PART A—DWIGHT D. EISENHOWER MATHEMATICS AND SCIENCE EDUCATION ACT

[SEC. 2001. SHORT TITLE.

[This part may be cited as the "Dwight D. Eisenhower Mathematics and Science Education Act".

[SEC. 2002. STATEMENT OF PURPOSE.

[The purpose of this part is to strengthen the economic competitiveness and national security of the United States by improving the skills of teachers and the quality of instruction in mathematics and science in the Nation's public and private elementary and secondary schools through assistance to State educational agencies, local educational agencies, and institutions of higher education.

Subpart 1—State Grants and National Programs[1]

[SEC. 2003. PROGRAM AUTHORIZED.

[(a) GRANTS.—The Secretary is authorized to make grants to States and discretionary grants in accordance with the provisions of this subpart for strengthening the skills of teachers and improving instruction in mathematics and science.

[(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purposes of this part, $250,000,000 for fiscal year 1989 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[SEC. 2004. ALLOCATION OF FUNDS.

[(a) IN GENERAL.—(1) From the amount appropriated under section 2003(b) for any fiscal year, the Secretary shall reserve—

[(A) not more than ½ of 1 percent for allocation among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this subpart;

[(B) ½ of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior consistent with the purposes of this subpart; and

[(C) 4 percent for section 2012.

[(2) The remainder of the amount so appropriated (after meeting the requirements of paragraph (1)) shall be allocated among the States (treating the District of Columbia and Puerto Rico as States) as follows—

[(A) ½ of such remainder shall be allocated among the States by allocating to each State an amount which bears the same ratio to such ½ of such remainder as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States; and

[(B) ½ of such remainder shall be allocated among the States according to each State's share of allocations under chapter 1 of the Education Consolidation and Improvement Act of 1981 or part A of chapter 1 of title I of this Act, whichever program was effective for the previous fiscal year,

except that no State shall receive less than ½ of 1 percent of the amount available under this subsection in any fiscal year or less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act.

[(3) For the purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

[(4) The number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

[(5) The Secretary shall make payments under paragraph (1)(B) on whatever terms the Secretary determines will best carry out the purposes of this subpart.

[(b) REALLOTMENT OF UNUSED FUNDS.—The amount of any State's allotment under subsection (a) for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during that year as the Secretary may determine, to other States in proportion to the original allotments to those States under subsection (a) for that year but with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that year; and the total of those reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a subpart of its allotment under subsection (a) for that year.

[SEC. 2005. IN-STATE APPORTIONMENT.

[(a) ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.—(1) For each fiscal year, an amount equal to 75 percent of each State's allotment under section 2004 shall be used for elementary and secondary education programs in accordance with section 2006, for demonstration and exemplary programs under section 2006(c) and for technical assistance under section 2006(d).

[(2) Not less than 90 percent or the remainder after application of section 2006(e). of such amount shall be distributed as follows:

[(A) The State educational agency shall distribute 50 percent of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school districts of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools, and—

[(i) private nonprofit schools, or

[(ii) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this subpart.

Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this subpart.

[(B) The State educational agency shall distribute 50 percent of the funds available under this subsection based on the relative number of children aged 5 to 17 who—

[(i) are from families below the poverty level as determined under section 1005(c)(2)(A) of this Act; and

[(ii) are from families above the poverty level as determined under section 1005(c)(2)(B) of this Act;

in the schools of the local educational agencies within the State.

[(b) HIGHER EDUCATION PROGRAMS.—For each fiscal year, 25 percent of each State's allotment under section 2004 shall be used for higher education programs in accordance with section 2007.

[(c) LIMITATION.—

[(1) GENERAL RULE.—Except as provided in paragraph (2), any local educational agency that receives an allocation of less than $6,000 under subsection (a) shall, for the purpose of providing services under this part, form a consortium with at least 1 other local educational agency or institution of higher education receiving assistance under this section.

[(2) WAIVER.—The State educational agency shall waive the application of paragraph (1) in the case of any local educational agency that demonstrates that the amount of its allocation is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

[(A) give special consideration to local educational agencies serving rural areas; and

[(B) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's allocation for the purpose of providing services under this part.

[SEC. 2006. ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

[(a) IN GENERAL.—The amount apportioned under section 2005(a)(2) from each State's allotment under this subpart shall be used by the State educational agency to strengthen elementary and secondary education programs in accordance with the provisions of this section.

[(b) LOCAL EDUCATIONAL AGENCIES.—(1) Each local educational agency shall use funds distributed under this subpart for—

[(A) the expansion and improvement of preservice training, inservice training, and retraining of teachers and other appropriate school personnel in the fields of mathematics and science, including vocational education teachers who use mathematics and science in the courses of study they teach;

[(B) recruitment or retraining of minority teachers to become mathematics and science teachers;

[(C) training in and instructional use of computers, video, and other telecommunications technologies as part of a mathematics and science program (which may include the purchase of computers or other telecommunications equipment in schools with an enrollment of 50 percent or more of students from low-income families after all other training needs have been met);

[(D) integrating higher order analytical and problem-solving skills into the mathematics and science curriculum; or

[(E) providing funds for grants projects for individual teachers within the local educational agency to undertake projects to improve their teaching ability or to improve the instructional materials used in their classrooms in mathematics and science.

[(2) Such training and instruction may be carried out through agreements with public agencies, private industry, institutions of higher education, and nonprofit organizations, including museums, libraries, educational television stations, professional science, mathematics and engineering associations, and other appropriate institutions. Agreements for funds available under section 2004(a)(1)(B) may be made with institutions of higher education receiving funds under the Tribally Controlled Community College Assistance Act of 1978. A local educational agency may carry out the activities authorized by this paragraph with one or more other local educational agencies within the State, or with the State educational agency, or both. Each local educational agency shall assure that programs of training, inservice training and retraining will take into account the need for greater access to and participation in mathematics and science programs and careers of students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the handicapped, migrants, and, especially, gifted and talented children from within such groups.

[(3) A local educational agency for any fiscal year may apply for funds as part of a consortium with other local educational agencies, institutions of higher education, or an intermediate educational unit for the conduct of local programs. The State educational agency may assist in the formation of consortia between local educational agencies, institutions of higher education, or intermediate educational units to provide services for the teachers and students in such local educational agency at the request of such local educational agency.

[(4) Not more than 5 percent of funds available to the local educational agency for the purpose of this section for any fiscal year may be used for local administration.

[(c) Demonstration and Exemplary Programs.—Not less than 5 percent of the amount available under this section shall be used by the State educational agency for—

[(1) demonstration and exemplary programs for teacher training and retraining and inservice upgrading of teacher skills in the fields of mathematics and science;

[(2) demonstration and exemplary programs for instructional equipment and materials in such fields and necessary technical assistance;

[(3) demonstration and exemplary programs for special projects for historically underrepresented and underserved populations and for gifted and talented students; or

[(4) the dissemination of information to all local educational agencies within the State relating to the exemplary programs in the fields of mathematics and science.

In providing financial assistance for such demonstration and exemplary programs, the State educational agency shall give special consideration to special projects in mathematics and science to historically underrepresented and underserved populations of students, including females, minorities, handicapped individuals, individuals with limited-English proficiency, and migrant students, and to programs for gifted and talented students. The programs for gifted and talented students may include assistance to magnet schools for such students.

[(d) Priority for Teacher Training.—

[(1) General rule.—Except as provided in paragraph (2), in any fiscal year beginning after September 30, 1990 for which a local educational agency receives under this section an amount that is larger than the amount such agency received under this section for the fiscal year 1990, the excess of such amount over the amount received under this section for the fiscal year 1990 shall first be used to provide training for mathematics teachers and science teachers in elementary and middle schools.

[(2) Waiver.—The Secretary may waive the application of paragraph (1) in the case of any local educational agency that demonstrates to the Secretary that mathematics teachers and science teachers in the elementary and middle schools under the jurisdiction of such local educational agency will receive adequate training without using such excess amounts for such training.

[(e) Technical Assistance and Administrative Costs.—Not more than 5 percent of the amount available under this section, or $20,000, whichever is greater, may be used by the State educational agency—

[(1) to provide technical assistance to local educational agencies, institutions of higher education, and nonprofit organizations, including museums, libraries, and educational television stations, in the conduct of programs specified in subsection (b); and

[(2) for the costs of administration and assessment of programs assisted under this part.

[SEC. 2007. HIGHER EDUCATION PROGRAMS.

[(a) In General.—(1) Except as provided in paragraph (2), the amount apportioned under section 2005(b) from each State's allotment under this subpart shall be used by the State agency for higher education for education programs in accordance with the provisions of this section.

[(2) Funds available under section 2004(a)(1)(B) and reserved under section 2005(b) shall be used, in accordance with the provisions of this section, to support programs conducted within institutions of higher education funded through the Bureau of Indian Affairs.

[(b) Grants to Institutions of Higher Education.—(1)(A) Not less than 95 percent or the remainder after application of subsection (d). of the amount available for this section shall be used by the State agency for higher education for grants to institutions of higher education in accordance with the provisions of this subsection.

[(B) The State agency for higher education shall make funds available on a competitive basis to institutions of higher education in the State which apply for payments under this section and which demonstrate involvement of local educational agencies. The State agency for higher education shall make every effort to ensure equitable participation of private and public institutions of higher education.

[(2) The amount available under this subsection shall be used for—

[(A) establishing traineeship programs for new teachers who will specialize in teaching mathematics and science at the secondary school level;

[(B) retraining of secondary school teachers who specialize in disciplines other than the teaching of mathematics or science to specialize in the teaching of mathematics or science, including the provision of stipends for participation in institutes authorized under title I of the Education for Economic Security Act or any other program of the National Science Foundation; and

[(C) inservice training for elementary, secondary, and vocational school teachers and training for other appropriate school personnel to improve their teaching skills in the fields of mathematics and science, including stipends for participation in institutes authorized under title I of the Education for Economic Security Act, or any other program of the National Science Foundation.

Each institution of higher education receiving a grant under this subsection shall assure that programs of training, retraining, and inservice training will take into account the need for greater access to and participation in mathematics and science and careers by students from historically underrepresented and underserved groups, including females, minorities, individuals with limited-English proficiency, the handicapped, migrants, and the gifted and talented, and will ensure cooperative agreements or cooperative arrangements with local educational agencies.

[(3) No institution of higher education may receive assistance under paragraphs (2)(B) and (2)(C) of this subsection unless the institution enters into an agreement with a local educational agency, or consortium of such agencies, to provide inservice training and retraining for the elementary and secondary school teachers in the public and private schools of the school district of each such agency.

[(c) Cooperative Programs.—The State agency for higher education may use funds described in subsection (b)(1)(A) for cooperative programs among institutions of higher education, local educational agencies, State educational agencies, private industry, and nonprofit organizations, including museums, libraries, educational television stations, and professional mathematics, science, and engineering societies and associations for the development and dissemination of projects designed to improve student understanding and performance in science and mathematics.

[(d) Assessment and Administrative Costs.—Not to exceed 5 percent of the amount available under this section, or $20,000, whichever is greater, may be used by the State agency for higher education for—

[(1) the State assessment required by section 2008(c); and

[(2) the costs incurred by such agency for administration and evaluation of programs assisted under this subpart.

[SEC. 2008. STATE APPLICATION.

[(a) APPLICATION.—Each State which desires to receive a grant under this subpart shall file an application with the Secretary which covers a period of 3 fiscal years. Such application shall be filed at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(b) CONTENTS OF APPLICATION.—Each such application shall—

[(1) designate the State educational agency for the purpose of programs described in section 2006, and the State agency for higher education for the purpose of programs described in section 2007 as the agency or agencies responsible for the administration and supervision of the programs described in section 2006 or 2007, as the case may be;

[(2) provide assurances that—

[(A) payments will be distributed by the State in accordance with the provisions of this title;

[(B) for programs described in section 2006, the provisions of section 2010 will be carried out;

[(C) the State will provide such fiscal control and funds accounting as the Secretary may require;

[(D) funds provided under this part will supplement, not supplant, State and local funds made available for activities authorized under this subpart;

[(E) during the 3-year period of the plan, the State will evaluate its standards for teacher preparation, licensing, certification, and endorsement for elementary and secondary mathematics and science;

[(F) the State will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the handicapped;

[(G) that the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be considered in the distribution of funds reserved for State use; and

[(H) that the programs conducted with State funds will be assessed annually (including statistics on the number of students and teachers involved in these programs) and that the data from such assessments, as well as a summary of the local assessments required under section 2009(b)(6), will be submitted to the Secretary;

[(3) if appropriate, provide a description of how funds paid under this subpart will be coordinated with State and local funds and other Federal resources, particularly with respect to any program available from the National Science Foundation or the Department of Energy, or both; and

[(4) describe procedures—

[(A) for submitting applications for programs described in sections 2006 and 2007 for distribution of payments under this subpart within the State, and

[(B) for approval of applications by the appropriate State agency, including appropriate procedures to assure that such agency will not disapprove an application without notice and opportunity for a hearing.

[(c) INFORMATIONAL REQUIREMENTS.—Each State application shall also contain the following:

[(1) A projection of the supply and demand for teachers within the State in all the mathematics and science subject areas at the elementary and secondary levels, including a consideration of the impact of changing State graduation requirements and other State reforms upon such supply.

[(2) An assessment of the current elementary and secondary curriculum needs within the State in mathematics and science.

[(d) DESCRIPTION OF ASSISTED ACTIVITIES.—Each application shall also contain the following descriptions:

[(1) How the programs under this Act will meet the teacher training and curriculum needs projected under subsections (c)(1) and (c)(2).

[(2) The specific activities that will be undertaken that involve institutions of higher education.

[(3) The specific activities that will be supported with funds reserved for State use and how those activities relate to the State's needs in mathematics and science.

[(4) The specific activities the State will support to improve access of historically underrepresented groups in mathematics and science education.

[(e) APPROVAL.—The Secretary shall expeditiously approve any State application that meets the requirements of this section.

[SEC. 2009. LOCAL APPLICATION.

[(a) APPLICATION.—A local educational agency that desires to receive a grant under this subpart shall submit an application which covers a 3-year period (singly or in conjunction with other local educational agencies, institutions of higher education, or an intermediate educational unit).

[(b) CONTENTS OF APPLICATION.—A local educational agency application shall—

[(1) provide a summary assessment of—

[(A) the needs of its current teachers in mathematics and science and whether a shortage of such qualified teachers exists or will exist within 5 years after the date of the application;

[(B) the current levels of mathematics and science student achievement in the local educational agency; and

[(C) the curricular needs of the local educational agency in mathematics and science;

[(2) describe how the local educational agency plans to use funds received under this subpart to meet the needs described in paragraph (1)(A);

[(3) if applicable, describe how funds under this subpart will be coordinated with State and local and other Federal resources, especially with respect to any programs available from the National Science Foundation, or the Department of Energy, or both;

[(4) if applicable, describe how the programs will use other resources of the community and involve public agencies, private industry, institutions of higher education, public and private nonprofit organizations (including, museums, libraries, educational television stations, professional science, mathematics, and engineering associations), and other appropriate institutions;

[(5) assure that programs will take into account the need for greater access to and participation in mathematics and science programs by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the handicapped; and

[(6) assure that the programs will be assessed, that progress made will be reported in terms of numbers of teachers and students affected, and that the results will be submitted to the State educational agency in the time and manner required.

[(c) Renewal of Payments.—The State educational agency shall renew payments to local educational agencies under this section based upon a determination by the State educational agency that the local educational agency is making adequate progress toward the goals of this subpart. The State educational agency will not disapprove an application without notice and opportunity for a hearing.

[SEC. 2010. PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS.

[(a) Participation of Private School Students.—To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private nonprofit elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this subpart.

[(b) Participation of Private School Teachers.—To the extent consistent with the number of children in the State or in the school district of a local educational agency who are enrolled in private nonprofit elementary and secondary schools, such State, or agency or institution of higher education shall, after consultation with appropriate private school representatives, make provision, for the benefit of such teachers in such schools, for such inservice and teacher training and retraining as will assure equitable participation of such teachers in the purposes and benefits of this subpart.

[(c) Waiver.—If by reason of any provision of law a State or local educational agency or institution of higher education is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by subsections (a) and (b), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers, subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of this Act.

[SEC. 2011. FEDERAL ADMINISTRATION.

[(a) TECHNICAL ASSISTANCE AND EVALUATION PROCEDURES.—The Secretary shall provide technical assistance and, in consultation with State and local representatives, shall develop procedures for State and local evaluations of the programs under this subpart.

[(b) SUMMARY.—The Secretary shall submit to the Congress every 2 years a summary of the State evaluations of programs under this subpart.

[(c) MODEL REPORTING STANDARDS.—In conjunction with State and local educational agencies and organizations of mathematics and science educators, the Secretary shall develop model reporting standards to encourage comparability of data required under sections 2008 and 2009.

[SEC. 2012. NATIONAL PROGRAMS.

[(a) AMOUNT AVAILABLE.—From 4 percent of amounts appropriated under section 2003(b), the Secretary shall make grants or enter into cooperative agreements in accordance with this section.

[(b) ELIGIBLE GRANTEES.—The Secretary shall make grants to and enter into cooperative agreements with State and local educational agencies, institutions of higher education, and public and private nonprofit organizations (including museums, libraries, educational television producers, distributors, and stations, and professional science, mathematics, and engineering societies and associations) for programs of national significance in mathematics and science instruction. The Secretary shall give special consideration in providing such assistance to local educational agencies (or consortia thereof), institutions of higher education, and public and private nonprofit organizations, providing special services to historically underserved and underrepresented populations (and especially gifted and talented children from within such populations) in the fields of mathematics and science.

[(c) PROGRAMS FOR TRAINING AND RETRAINING TEACHERS.—In awarding grants and cooperative agreements, the Secretary shall also give special consideration to programs of such institutions and organizations (such as museums) which train and retrain teachers in methods of scientific inquiry and provide materials which aid the education of students. In awarding grants and cooperative agreements, the Secretary shall give preference to developed and currently operating programs which are disseminated throughout the region in which such an institution or organization is located.

[(d) NATIONAL CLEARINGHOUSE FOR SCIENCE, MATHEMATICS, AND TECHNOLOGY EDUCATION MATERIALS.—

[(1) CLEARINGHOUSE AUTHORIZED.—The Secretary, in consultation with the Director, may award a grant or contract to establish a National Clearinghouse for Mathematics and Science Education (hereinafter in this subsection referred to as the "Clearinghouse").

[(2) APPLICATION AND AWARD BASIS.—Each entity desiring to establish and operate the Clearinghouse authorized by this subsection shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. The grant or contract awarded pursuant to paragraph (1) shall be made on a competitive, merit basis.

[(3) DURATION.—The grant or contract awarded under this section shall be awarded for a period of 5 years and shall be reviewed by the Secretary no later than 30 months from the date the grant or contract is awarded.

[(4) USE OF FUNDS.—The grant awarded under this subsection shall be used to—

[(A) maintain a permanent repository of mathematics and science education instructional materials and programs for elementary and secondary schools, including middle schools, (including, to the extent practicable, all materials and programs developed with Federal and non-Federal funds, such as instructional materials developed by the Department of Education, materials developed by State and national mathematics and science programs assisted under this part, and other instructional materials) for use by the regional consortiums established under subpart 2 of this part and by the general public;

[(B) compile information on all mathematics and science education programs administered by each Federal agency or department;

[(C) disseminate information, programs, and instructional materials to the public, dissemination networks, and the regional consortiums under subpart 2 of this part; and

[(D) coordinate with identifiable and existing data bases containing mathematics and science curriculum and instructional materials, including Federal and non-Federal data bases.

[(5) SUBMISSION TO CLEARINGHOUSE.—Each Federal agency or department which develops mathematics or science education instructional material or programs, including the National Science Foundation, and the Department of Education, shall submit to the Clearinghouse copies of such material or programs.

[(6) PEER REVIEW.—The Secretary shall establish a peer review process to select the recipient of the award under this subsection.

[(7) STEERING COMMITTEE.—The Secretary may appoint a steering committee to recommend policies and activities for the Clearinghouse.

[(8) APPLICATION OF COPYRIGHT LAWS.—Nothing in this subsection shall be construed to allow the use or copying, in any media, of any material collected by the Clearinghouse that is protected under the copyright laws of the United States unless the permission of the owner of the copyright is obtained. The Clearinghouse, in carrying out the provisions of this subsection, shall ensure compliance with the provisions of title 17 of the United States Code.

[(e) MODEL PROGRAMS FOR INSTRUCTION AND TRAINING IN THE USE OF COMPUTERS.—

[(1) GRANTS AUTHORIZED.—The Secretary may make grants to model programs for training and instruction in the use of computers as part of the mathematics and science curriculum of elementary and secondary schools to pay the Federal share of the cost of improving and expanding such programs.

[(2) FEDERAL SHARE.—(A) Except as provided in subparagraph (C), the Federal share of the cost of improving and expanding a model program under this subsection shall not exceed 50 percent of such cost.

[(B) Not less than 25 percent of the non-Federal share of the cost of improving and expanding a model program under this subsection shall be in cash.

[(C) The Secretary may waive the application of this paragraph in the case of any model program operated by a school that demonstrates an inability to obtain funds from non-Federal sources for the program.

[(3) PRIORITY.—In awarding grants under this subsection, the Secretary shall give priority to applicants that demonstrate the ability to—

[(A) develop a program that can be applied nationally;

[(B) include a shared commitment from a combination of local parties, such as teachers, the business community, and local educational agencies;

[(C) provide teacher training programs in elementary and secondary schools, including middle schools, that are designed to improve the quality of mathematics and science instruction through the use of computers as an instructional tool;

[(D) integrate higher order analytical and problem-solving skills into mathematics and science curricula; and

[(E) provide interactive and manipulative application as part of the instructional delivery system.

[(f) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information concerning grants and cooperative agreements under this section to State and local educational agencies and institutions of higher education. Such dissemination of information shall include examples of exemplary national programs in mathematics and science instruction and necessary technical assistance for the establishment of similar programs.

Subpart 2—Regional Mathematics and Science Education Consortiums

[SEC. 2016. PROGRAM ESTABLISHED.

[(a) IN GENERAL.—

[(1) GRANTS AUTHORIZED.—The Secretary, in consultation with the Director, is authorized to award grants or contracts to eligible entities to establish and operate regional mathematics and science education consortia for the purpose of—

[(A) disseminating exemplary mathematics and science education instructional materials; and

[(B) providing technical assistance for the implementation of teaching methods and assessment tools for use by elementary and secondary school students, teachers and administrators.

[(2) NUMBER.—The Secretary shall, in accordance with the provisions of this section, award at least 1 grant or contract to an eligible entity in each region.

[(3) SPECIAL RULE.—In any fiscal year, if the amount appropriated pursuant to the authority of section 2023 is less than $4,500,000, then the Secretary may waive the provisions of paragraph (2) and award grants or contracts of sufficient size, scope and quality to carry out the provisions of this section.

[(b) GRANT TERM AND REVIEW.—Grants under this subpart shall be awarded for a period of not more than 5 years and shall be reviewed before the end of the 30-month period beginning on the date the grant is awarded. Grants shall be awarded before the end of the 12-month period beginning on the date of the enactment of an Act making appropriations to carry out the provisions of this subpart.

[(c) AMOUNT.—In making grants under this subpart, the Secretary shall assure that there is a relatively equal distribution of the funds made available among the regions, but the Secretary may award additional funds to a regional consortium on the basis of population and geographical conditions of the region being served.

[SEC. 2017. USE OF FUNDS.

[Funds provided under this subpart may be used by a regional consortium, under the direction of a regional board established pursuant to section 2019, to—

[(1) identify, adapt, disseminate, and implement mathematics and science education instruction materials, teaching methods, and assessment tools for use by elementary and secondary school students;

[(2) assist, train and provide technical assistance to classroom teachers, administrators, and other educators to identify, implement or adapt the instructional materials, teaching methods and assessment tools described in paragraph (1);

[(3) provide for the training of classroom teachers to enable such teachers to instruct other teachers, administrators, and educators in the use of the instructional materials, teaching methods and assessment tools described in paragraph (1) in the classroom;

[(4) work with classroom teachers in the identification and adaptation of such instructional materials, teaching methods, and assessment tools for use in classrooms within the region;

[(5) assist classroom teachers, where appropriate, in securing training to enhance such teachers' subject knowledge and teaching skills in the areas of science and mathematics education;

[(6) when necessary, provide financial assistance to enable teachers and other educators to attend and participate in the activities of the regional consortium;

[(7) implement programs and activities designed to meet the needs of groups that are underrepresented in, and underserved by, mathematics and science education;

[(8) help State and local educational agencies or consortia thereof assess the need for and the desirability of regional mathematics and science academies;

[(9) develop and disseminate early childhood education mathematics and science instructional materials;

[(10) develop intergenerational projects to train senior citizen volunteers in the implementation of interactive science processes and activities for use by elementary and secondary school students;

[(11) disseminate information regarding informal mathematics and science education activities and programs offered by Federal agencies and private or public agencies and institutions within the region;

[(12) provide technical assistance in order to maximize the effectiveness of such instructional materials and programs and fulfill the instructional goals of the recipients of such materials and programs;

[(13) collect data on activities assisted under this subpart in order to evaluate the effectiveness of the activities of the regional consortiums;

[(14) if feasible, maintain on-line computer networks with all regional consortiums and the National Clearinghouse for Science and Mathematics Education Materials established under section 2012(e);

[(15) assist local and State educators in identifying science equipment needs; and

[(16) coordinate activities carried out by the regional consortium with activities carried out by the appropriate regional education laboratory supported under section 405(d)(4)(A)(i) of the General Education Provisions Act.

[SEC. 2018. APPLICATION AND REVIEW.

[(a) IN GENERAL.—Each eligible entity desiring to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Each such application shall—

[(1) demonstrate that the eligible entity has demonstrated expertise in the fields of mathematics and science education;

[(2) demonstrate that the eligible entity shall implement and disseminate mathematics and science education instructional materials, teaching methods, and assessment tools through a consortium of the region's mathematics and science education organizations and agencies;

[(3) demonstrate that the eligible entity shall carry out the functions of the regional consortium;

[(4) describe the activities for which assistance is sought;

[(5) demonstrate that the eligible entity shall implement and disseminate mathematics and science education instructional materials, teaching methods and assessment tools;

[(6) demonstrate that emphasis will be given to programs and activities designed to meet the needs of groups that are underrepresented in, and underserved by, mathematics and science education;

[(7) describe steps to be taken to provide for the equitable participation of children and teachers from private elementary and secondary schools consistent with section 2010;

[(8) demonstrate that the business community in the region served by the regional consortium will play an integral role in designing and supporting the regional consortium's work;

[(9) demonstrate that the eligible entity will consider the resources of existing Star Schools consortia established pursuant to the Star Schools Program Assistance Act in carrying out the provisions of this part, where appropriate; and

[(10) assure that the entity will conduct its activities and supervise its personnel in a manner that effectively ensures compliance with the copyright laws of the United States.

[(b) APPROVAL OF APPLICATION.—

[(1) IN GENERAL.—The Secretary shall approve or disapprove applications submitted pursuant to subsection (a) in accordance with the criteria and procedures established under paragraph (2).

[(2) PROCEDURES AND CRITERIA.—The Secretary shall develop procedures and criteria designed to ensure that grants are awarded on the basis of merit as determined by the competitive peer review process described in paragraph (3).

[(3) NATIONAL PANEL.—(A) The Secretary, in consultation with the Director, shall establish a national panel, or to the extent necessary, panels, to submit to the Secretary recommendations for awards of grants under this subpart. The Secretary shall appoint the members of such panel or panels.

[(B) Each panel appointed as required by subparagraph (A) shall include participation, to the extent feasible, from each region.

[SEC. 2019. REGIONAL BOARDS.

[(a) IN GENERAL.—Each eligible entity receiving a grant or contract under this subpart shall establish a regional board to oversee the administration and establishment of program priorities for the regional consortium established by such eligible entity. Such regional board shall be broadly representative of the agencies and organizations participating in the regional consortium.

[(b) PROHIBITION ON USE OF FEDERAL FUNDS.—No Federal funds may be used for the establishment or operation of a regional board required by subsection (a).

[SEC. 2020. PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.

[(a) PAYMENTS.—The Secretary shall pay to each eligible entity having an application approved under section 2018 the Federal share of the cost of the activities described in the application.

[(b) FEDERAL SHARE.—For purposes of subsection (a), the Federal share—

[(1) for the first and second years in which an eligible entity receives assistance shall be 80 percent;

[(2) for the third such year shall be 75 percent;

[(3) for the fourth such year shall be 65 percent; and

[(4) for the fifth and each such succeeding year shall be 50 percent.

[(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of activities described in the application submitted pursuant to this section may be in cash or in kind, fairly evaluated.

[SEC. 2021. EVALUATION.

[(a) EVALUATION REQUIRED.—The Secretary, through the Office of Educational Research and Improvement, shall collect sufficient data on, and evaluate the effectiveness of, the activities of each regional consortium.

[(b) ASSESSMENT.—The evaluations described in paragraph (1) shall include an assessment of the effectiveness of the regional consortium in meeting the needs of the schools, teachers, administrators and students in the region.

[(c) REPORT.—At the end of each grant or contract period, the Secretary shall submit to Congress a report on the effectiveness of the programs conducted at each regional consortium.

[SEC. 2022. DEFINITIONS.

[For purposes of this subpart:

[(1) The term "eligible entity" means—

[(A) a private nonprofit organization of demonstrated effectiveness;

[(B) an institution of higher education;

[(C) an elementary or secondary school;

[(D) a State or local educational agency;

[(E) a regional educational laboratory in consortium with the research and development center established under section 405(d)(4)(A) of the General Education Provisions Act; or

[(F) any combination of the entities described in subparagraphs (A) through (E);

with demonstrated expertise in mathematics and science education.

[(2) The term "region" means a region of the United States served by a regional education laboratory that is supported by the Secretary pursuant to section 405(d)(4)(A)(i) of the General Education Provisions Act.

[(3) The term "regional consortium" means each regional mathematics and science education consortium established pursuant to section 2016.

[SEC. 2023. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out the provisions of this subpart $17,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993.

[PART C—GENERAL PROVISIONS

[SEC. 2031. DEFINITIONS.

[As used in this part:

[(1) The term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965.

[(2) The term "State agency for higher education" means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or, if there is no such officer or agency, an officer or agency designated for the purpose of this title by the Governor or by State law.

[PART B—FOREIGN LANGUAGES ASSISTANCE

[SEC. 2101. SHORT TITLE.

[This part may be cited as the "Foreign Language Assistance Act of 1988".

[SEC. 2102. FINDINGS.

[The Congress finds that the economic and security interests of this Nation require significant improvement in the quantity and quality of foreign language instruction offered in the Nation's elementary and secondary schools, and Federal funds should be made available to assist the purpose of this part.

[SEC. 2103. PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—The Secretary shall make grants to State educational agencies whose applications are approved under subsection (b) to pay the Federal share of the cost of model programs, designed and operated by local educational agencies, providing for the commencement or improvement and expansion of foreign language study for students.

[(b) APPLICATION.—Any State educational agency desiring to receive a grant under this part shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No application may be approved by the Secretary unless the application—

[(1) contains a description of model programs which—

[(A) are designed by local educational agencies,

[(B) represent a variety of alternative and innovative approaches to foreign language instruction, and

[(C) are selected on a competitive basis by the State educational agency;

[(2) provides assurances that all children aged 5 through 17 who reside within the school district of the local educational agency shall be eligible to participate in any model program funded under this section (without regard to whether such children attend schools operated by such agency);

[(3) provides assurances that the State will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

[(4) provides that the local educational agency will provide standard evaluations of the proficiency of participants at appropriate intervals in the program which are reliable and valid, and provide such evaluations to the State educational agency.

[(c) FEDERAL SHARE.—(1) The Federal share for each fiscal year shall be 50 percent.

[(2) The Secretary may waive the requirement of paragraph (1) for any local educational agency which the Secretary determines does not have adequate resources to pay the non-Federal share of the cost of the project.

[(d) PARTICIPATION OF PRIVATE SCHOOLS.—(1) To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and which meet the requirements of this section. Expenditures for educational services and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the needs of such children) to expenditures for children enrolled in the public schools of the State or local educational agency.

[(2) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation of children from private schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children which shall be subject to the requirements of this subsection. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with paragraphs (3) and (4) of section 1017(b) of this Act.

[SEC. 2104. ALLOTMENTS.

[(a) GENERAL RULE.—(1) From the sums appropriated to carry out this part in any fiscal year, the Secretary shall reserve 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

[(2) From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school age population of the State bears to the school age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

[(b) AVAILABILITY OF FUNDS.—The allotment of a State under subsection (a) shall be made available to the State for 2 additional years after the first fiscal year during which the State receives its allotment under this section if the Secretary determines that the funds made available to the State during the first such year were used in the manner required under the State's approved application.

[SEC. 2105. DEFINITIONS.

[(a) GENERAL RULE.—For the purpose of this part:

[(1) The term "foreign language instruction" means instruction in critical foreign languages as defined by the Secretary.

[(2) The term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965.

[(3) The term "State agency for higher education" means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or, if there is no such officer or agency, an officer or agency designated for the purpose of this title by the Governor or by State law.

[(b) SPECIAL RULE.—For the purpose of section 2104—

[(1) the term "school age population" means the population aged 5 through 17; and

[(2) the term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[SEC. 2106. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $20,000,000 for the fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993 to carry out this part. Enacted April 28, 1988, P.L. 100–297, sec. 1001, 102 Stat. 230.

[PART C—PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE IN FOREIGN LANGUAGES

[SEC. 2201. PRESIDENTIAL AWARDS.

[(a) GENERAL AUTHORITY.—The President is authorized to make Presidential Awards for Teaching Excellence in Foreign Languages to elementary and secondary school teachers of foreign languages who have demonstrated outstanding teaching ability in the field of teaching foreign languages.

[(b) LIMITATIONS.— Each year the President is authorized to make 108 awards under subsection (a). In selecting elementary and secondary school teachers for an award authorized by this section, the President shall select at least one elementary school teacher and one secondary school teacher—

[(1) from each of the several States;

[(2) from the District of Columbia;

[(3) from the Commonwealth of Puerto Rico;

[(4) from among the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and other commonwealths, territories, and possessions of the United States; and

[(5) from the United States Department of Defense Dependents' School.

[SEC. 2202. ADMINISTRATIVE PROVISIONS.

[(a) IN GENERAL.—There are authorized to be appropriated $1,000,000 for each fiscal year to carry out this part.

[(b) AVAILABILITY.—Amounts appropriated pursuant to subsection (a) shall be available for making awards under this part, for administrative expenses, for necessary travel by teachers selected under this part, and for special activities related to carrying out this part.

[TITLE III—MAGNET SCHOOLS ASSISTANCE

[SEC. 3001. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

[(a) AUTHORIZATION.—There are authorized to be appropriated $165,000,000 for the fiscal year 1989 and such sums as may be necessary for the fiscal years 1990 through 1993 to carry out the provisions of this title.

[(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—(1) In any fiscal year in which the amount appropriated pursuant to section 3001 exceeds $75,000,000, the Secretary shall, with respect to such excess amount, give priority to grants to local educational agencies which—

[(A) meet the requirements of section 3002; and

[(B) have not received a grant under title VII of the Education for Economic Security Act, or under this title, in the last fiscal year of the funding cycle prior to the fiscal year for which the determination is made.

[(2) In awarding grants with the first $75,000,000, the Secretary shall not take into account, in whole or in title, whether a local educational agency has received an award in the prior funding cycle.

[SEC. 3002. ELIGIBILITY.

[A local educational agency is eligible to receive assistance under this title if the local educational agency—

[(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and which requires the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency; or

[(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement, a plan which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools.

[SEC. 3003. STATEMENT OF PURPOSE.

[It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

[(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

[(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.

[SEC. 3004. PROGRAM AUTHORIZED.

[The Secretary is authorized, in accordance with the provisions of this part, to make grants to eligible local educational agencies for use in magnet schools which are part of an approved desegregation plan and which are designed to bring students from different social, economic, ethnic, and racial backgrounds together.

[SEC. 3005. DEFINITION.

[For the purpose of this title, the term "magnet school" means a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

[SEC. 3006. USES OF FUNDS.

[Grants made under this title may be used by eligible local educational agencies for—

[(1) planning and promotional activities directly related to expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

[(2) the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

[(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of programs in magnet schools;

where, with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.

[SEC. 3007. APPLICATIONS AND REQUIREMENTS.

[(a) APPLICATION.—Each eligible local educational agency which desires to receive assistance under this title shall submit an application to the Secretary. Each such application shall be in such form as the Secretary may reasonably require. Each such application shall contain assurances that the local educational agency will meet the conditions enumerated in subsection (b).

[(b) REQUIREMENTS CERTIFIED.—As part of the annual application required by subsection (a), each eligible local educational agency shall certify that the agency agrees—

[(1) to use funds made available under this title for the purposes specified in section 3003;

[(2) to employ teachers in the courses of instruction assisted under this title who are certified or licensed by the State to teach the subject matter of the courses of instruction;

[(3) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, national origin, sex, or handicap in the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

[(4) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, national origin, sex, or handicap in the mandatory assignment of students to schools or to courses of instruction within schools of such agency except to carry out the approved plan;

[(5) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, national origin, sex, or handicap in designing or operating extracurricular activities for students;

[(6) to describe how assistance made available under this title will be used to promote desegregation;

[(7) to provide assurances that the agency will carry out a high quality education program that will encourage greater parental decisionmaking and involvement;

[(8) to provide a description of the manner in which the local educational agency will continue the magnet schools program after assistance under this title is no longer available; and

[(9) to provide such other assurances as the Secretary determines necessary to carry out the provisions of this title.

[(c) Special Rule.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in clauses (3), (4), and (5) of subsection (b) will be met.

[SEC. 3008. SPECIAL CONSIDERATION.

[(a) Priority.—In approving applications under this title the Secretary shall give priority to—

[(1) the recentness of the implementation of the approved plan or modification thereof;

[(2) the proportion of minority group children involved in any approved plan;

[(3) the need for assistance based on the expense or difficulty of effectively carrying out an approved plan and the program or projects for which assistance is sought; and

[(4) the degree to which the program or project for which assistance is sought affords promise of achieving the purposes of this title.

[(b) Special Consideration.—In approving applications under this title, the Secretary shall give special consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate State educational agency, or any other private organization.

[SEC. 3009. PROHIBITIONS.

[Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.

[SEC. 3010. LIMITATION ON PAYMENTS.

[(a) Limitation on Duration and Progress.—No local educational agency may receive a grant under this title for more than one fiscal year unless the Secretary determines that the program for which assistance was provided in the first fiscal year is making satisfactory progress in achieving the purposes of this title.

[(b) Limitation on Planning Funds.—No local educational agency may expend more than 10 percent of the amount that the agency receives in any fiscal year for planning.

[(c) Special Rule on Chapter 2 Funds.—No State shall reduce the amount of State aid with respect to the provision of free public education or the amount of assistance received under chapter 2 of title I of this Act in any school district of any local educational agency within such State because of assistance made or to be made available to such agency under this title.

[SEC. 3011. PAYMENTS.

[(a) GENERAL RULE.—(1) The Secretary shall pay to each local educational agency having an application approved under this title the amount set forth in the application.

[(2) Notwithstanding section 412 of the General Education Provisions Act, not more than 15 percent of funds available for each fiscal year for the purposes of this title may remain available to local educational agencies for obligation and expenditure during the succeeding fiscal year pursuant to such section. The provisions of this subsection shall not apply if grants are not awarded in a timely manner.

[(3) The Secretary may not reduce any payment under this title for any fiscal year by any amount on the basis of the availability of funds pursuant to sections 412 (b) and (c) of the General Education Provisions Act.

[(4) Payments under this title for a fiscal year shall remain available for obligation and expenditure by the recipient until the end of the succeeding fiscal year, except that no such agency shall receive more than $4,000,000 under this title in any one grant cycle.

[(b) AWARD REQUIREMENT.—To the extent practicable, for any fiscal year, the Secretary shall award grants to local educational agencies under this title no later than June 30 of the applicable fiscal year.

[SEC. 3012. WITHHOLDING.

[The provisions of sections 453 and 454 of the General Education Provisions Act, relating to withholding and cease and desist orders, shall apply to the program authorized by this title.

[TITLE IV—SPECIAL PROGRAMS

[PART A—WOMEN'S EDUCATIONAL EQUITY

[SEC. 4001. SHORT TITLE; FINDINGS AND STATEMENT OF PURPOSE.

[(a) SHORT TITLE.—This part may be cited as the "Women's Educational Equity Act".

[(b) FINDINGS AND STATEMENT OF PURPOSE.—(1) The Congress finds and declares that educational programs in the United States, as presently conducted, are frequently inequitable as such programs relate to women and frequently limit the full participation of all individuals in American society. The Congress finds and declares that excellence in education cannot be achieved without equity for women and girls.

[(2) It is the purpose of this part to provide educational equity for women in the United States and to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Education Amendments of 1972. It is also the purpose of this part to provide educational equity for women and girls who suffer multiple discrimination, bias, or stereotyping based on sex and on race, ethnic origin, disability, or age.

[SEC. 4002. PROGRAM AUTHORIZED.

[(a) AUTHORIZATION.—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including student and community groups, and individuals, for activities designed to achieve the purpose of this part at all levels of education, including preschool, elementary and secondary education, higher education, and adult education. The activities may include—

[(1) demonstration, developmental, and dissemination activities of national, statewide, or general significance, including—

[(A) the development, where such materials are commercially unavailable, and evaluation of curricula, textbooks, and other educational materials related to educational equity;

[(B) model preservice and inservice training programs for educational personnel with special emphasis on programs and activities designed to provide educational equity;

[(C) research and development activities designed to advance educational equity;

[(D) guidance and counseling activities, including the development of nondiscriminatory tests, designed to ensure educational equity;

[(E) educational activities to increase opportunities for adult women, including continuing educational activities and programs for underemployed and unemployed women; and

[(F) the expansion and improvement of educational programs and activities for women in vocational education, career education, physical education, and educational administration; and

[(2) assistance to eligible entities to pay a portion of the costs of the establishment and operation, for a period of not to exceed 2 years, of special programs and projects of local significance to provide equal opportunities for both sexes, including activities listed in paragraph (1), activities incident to achieving compliance with title IX of the Education Amendments of 1972 and other special activities designed to achieve the purposes of this part.

Not less than 75 percent of funds used to support activities described by paragraph (2) shall be used for awards to local educational agencies. The Secretary shall ensure that at least 1 grant or contract is available during each fiscal year for the performance of each of the activities described in paragraph (1) of this subsection.

[(b) LIMITATION.—For each fiscal year, the Secretary shall use $4,500,000 from the funds available under this part to support activities described in paragraph (1) of subsection (a). Any funds in excess of $4,500,000 available under this part may be used to support new activities described in paragraph (1) or to support activities described in paragraph (2), or both.

[SEC. 4003. APPLICATION; PARTICIPATION.

[(a) APPLICATION.—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

[(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

[(2) describe a program for carrying out one or more of the purposes set forth in section 4001(b) which holds promise of making a substantial contribution toward attaining such purposes; and

[(3) set forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application, including where appropriate an evaluation or estimate of the potential for continued significance following completion of the grant period.

[(b) SPECIAL RULE.—In approving applications under this part, the Secretary shall give special consideration to—

[(1) applications submitted by applicants that have not received assistance under this part or under part C of title IX of the Elementary and Secondary Education Act of 1965 (as in effect prior to October 1, 1988); and

[(2) proposals from applicants on the basis of geographic distribution throughout the United States.

[(c) LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted under this part.

[SEC. 4004. CHALLENGE GRANTS.

[(a) PURPOSE.—In addition to the authority of the Secretary under section 4002, the Secretary shall carry out a program of challenge grants (as part of the grant program administered under section 4002(a)(1)), not to exceed $40,000 each, in order to support projects to develop—

[(1) comprehensive plans for implementation of equity programs at every educational level;

[(2) innovative approaches to school-community partnerships;

[(3) new dissemination and replication strategies; and

[(4) other innovative approaches to achieving the purposes of this part.

[(b) GRANT RECIPIENTS.—For the purpose described in paragraphs (1) through (4) of subsection (a), the Secretary is authorized to make grants to public agencies and private nonprofit organizations and consortia of these groups and to individuals.

[SEC. 4005. CRITERIA AND PRIORITIES.

[The Secretary shall establish separate criteria and priorities for awards under sections 4002(a)(1) and 4002(a)(2) under this part to insure that available funds are used for programs that most effectively will achieve the purposes of this part. The criteria and priorities shall be promulgated in accordance with section 431 of the General Education Provisions Act.

[SEC. 4006. REPORTS, EVALUATION, AND DISSEMINATION.

[(a) REPORTS.—The Secretary shall, from funds authorized under this part, not later than September 30, 1992, submit to the President and the Congress a report setting forth the programs and activities assisted under this part, and provide for the distribution of this report.

[(b) Evaluation and Dissemination.—The Secretary, through the Office of Educational Research and Improvement, shall evaluate and disseminate (at low cost) materials and programs developed under this part.

[SEC. 4007. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $9,000,000 for the fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993, to carry out the provisions of this part.

[PART B—GIFTED AND TALENTED CHILDREN

[SEC. 4101. SHORT TITLE.

[This part may be referred to as the "Jacob K. Javits Gifted and Talented Students Education Act of 1988".

[SEC. 4102. FINDINGS AND PURPOSES.

[(a) Findings.—The Congress finds and declares that—

[(1) gifted and talented students are a national resource vital to the future of the Nation and its security and well-being;

[(2) unless the special abilities of gifted and talented students are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

[(3) gifted and talented students from economically disadvantaged families and areas, and students of limited English proficiency are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

[(4) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented students for the provision of educational services and programs appropriate to their special needs; and

[(5) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training, and providing a national focal point of information and technical assistance, that is necessary to ensure that our Nation's schools are able to meet the special educational needs of gifted and talented students, and thereby serve a profound national interest.

[(b) Statement of Purpose.—It is the purpose of this part to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in elementary and secondary schools to identify and meet the special educational needs of gifted and talented students. It is also the purpose of this part to supplement and make more effective the expenditure of

State and local funds, and of Federal funds made available under chapter 2 of title I of this Act and title II of this Act, for the education of gifted and talented students.

[SEC. 4103. DEFINITIONS.

[For the purposes of this part:

[(1) The term "gifted and talented students" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

[(2) The term "institution of higher education" has the same meaning given such term in section 435(b) of the Higher Education Act of 1965.

[(3) The term "Hawaiian native" means any individual any of whose ancestors were natives prior to 1778 of the area which now comprises the State of Hawaii.

[(4) The term "Hawaiian native organization" means any organization recognized by the Governor of the State of Hawaii primarily serving and representing Hawaiian natives.

[SEC. 4104. AUTHORIZED PROGRAMS.

[(a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 4108 in any fiscal year the Secretary (after consultation with experts in the field of the education of gifted and talented students) shall make grants to or enter into contracts with State educational agencies, local educational agencies, institutions of higher education, or other public agencies and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and Hawaiian native organizations) to assist such agencies, institutions, and organizations which submit applications in carrying out programs or projects authorized by this Act that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students or in supervising such personnel.

[(b) USES OF FUNDS.—Programs and projects assisted under this section may include—

[(1) preservice and inservice training (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students;

[(2) establishment and operation of model projects and exemplary programs for the identification and education of gifted and talented students, including summer programs and cooperative programs involving business, industry, and education;

[(3) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented students;

[(4) programs of technical assistance and information dissemination; and

[(5) carrying out (through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth established pursuant to subsection (c))—

[(A) research on methods and techniques for identifying and teaching gifted and talented students, and

[(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this part.

[(c) Establishment of National Center.—The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out clause (5) of subsection (b). Such National Center shall have a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

[(d) Limitation.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used for the conduct of activities pursuant to subsections (b)(5) or (c).

[SEC. 4105. PROGRAM PRIORITIES.

[(a) General Priority.—In the administration of this part the Secretary shall give highest priority—

[(1) to the identification of gifted and talented students who may not be identified through traditional assessment methods (including economically disadvantaged individuals, individuals of limited English proficiency, and individuals with handicaps) and to education programs designed to include gifted and talented students from such groups; and

[(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification and education of gifted and talented students.

[(b) Service Priority.—In approving applications under section 4104(a) of this part, the Secretary shall assure that in each fiscal year at least one-half of the applications approved contain a component designed to serve gifted and talented students who are economically disadvantaged individuals.

[SEC. 4106. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

[In making grants and entering into contracts under this Act, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel in preservice and inservice training programs for serving such children.

[SEC. 4107. ADMINISTRATION.

[The Secretary shall establish or designate an administrative unit within the Department of Education—

[(1) to administer the programs authorized by this part,

[(2) to coordinate all programs for gifted and talented students administered by the Department, and

[(3) to serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet those needs.

The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented students.

[SEC. 4108. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $20,000,000 for the fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993, to carry out the provisions of this part.

[PART C—ALLEN J. ELLENDER FELLOWSHIP PROGRAM

[SEC. 4301. FINDINGS.

[The Congress makes the following findings:

[(1) Allen J. Ellender, a Senator from Louisiana and President pro tempore of the United States Senate, had a distinguished career in public service characterized by extraordinary energy and real concern for young people and the development of greater opportunities for active and responsible citizenship by young people.

[(2) Senator Ellender provided valuable support and encouragement to the Close Up Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and their educators.

[(3) It is a fitting and appropriate tribute to the beloved Senator Ellender to provide in his name an opportunity for participation, by students of limited economic means and by their teachers, in the program supported by the Close Up Foundation.

[Subpart 1—Program for Secondary School Students and Teachers

[SEC. 4311. ESTABLISHMENT.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants in accordance with the provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its program of increasing understanding of the Federal Government among secondary school students, their teachers, and the communities they represent.

[(b) USE OF FUNDS.—Grants under this subpart shall be used only for financial assistance to economically disadvantaged students and their teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this subpart by such students and teachers shall be known as Allen J. Ellender fellowships.

[SEC. 4312. APPLICATIONS.

[(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

[(1) that fellowship grants are made to economically disadvantaged secondary school students, and to secondary school teachers;

[(2) that not more than 1 secondary school teacher in each such school participating in the program may receive a fellowship grant in any fiscal year;

[(3) that every effort will be made to ensure the participation of students and teachers from rural and small town areas, as well as from urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including handicapped students, students from recent immigrant families, ethnic minority students, gifted and talented students, and students of migrant parents; and

[(4) the proper disbursement of the funds of the United States received under this part.

[Subpart 2—Programs for Older Americans and Recent Immigrants

[SEC. 4321. ESTABLISHMENT.

[(a) GENERAL AUTHORITY.—(1) The Secretary is authorized to make grants in accordance with the provisions of this subpart to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among economically disadvantaged older Americans and recent immigrants.

[(2) For the purpose of this subpart, the term "older American" means an individual who has attained 55 years of age.

[(b) USE OF FUNDS.—Grants under this subpart shall be used only for financial assistance to economically disadvantaged older Americans and recent immigrants who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this subpart by such individuals shall be known as Allen J. Ellender fellowships.

[SEC. 4322. APPLICATIONS.

[(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

[(1) that fellowship grants are made to economically disadvantaged older Americans and recent immigrants;

[(2) that every effort will be made to ensure the participation of older Americans and recent immigrants from rural and small town areas, as well as from urban areas, and that in awarding fellowships, special consideration will be given to the participation of older Americans and recent immigrants with special needs, including handicapped individuals and ethnic minorities;

[(3) that activities permitted by section 4321 are fully described; and

[(4) the proper disbursement of the funds of the United States received under this part.

[Subpart 3—General Provisions

[SEC. 4331. ADMINISTRATIVE PROVISIONS.

[(a) GENERAL RULE.—Payments under this part may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

[(b) AUDIT RULE.—The Comptroller General of the United States or any of the Comptroller General's duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this part.

[SEC. 4332. AUTHORIZATION OF APPROPRIATIONS.

[(a) AUTHORIZATION FOR SUBPART 1.—There are authorized to be appropriated to carry out the provisions of subpart 1 of this part $3,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 through 1993.

[(b) AUTHORIZATION FOR SUBPART 2.—(1) There are authorized to be appropriated to carry out the provisions of subpart 2 of this part $2,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 through 1993.

[(2) No funds may be appropriated pursuant to paragraph (1) for the fiscal year 1989 unless amounts appropriated pursuant to subsection (a) for such fiscal year total not less than $2,500,000. In each of the fiscal years 1990 through 1993, no funds may be appropriated pursuant to paragraph (1) unless sufficient amounts are appropriated pursuant to subsection (a) for the fiscal year to carry out activities under subpart 1 of this part at the level established during the fiscal year 1989.

[PART D—IMMIGRANT EDUCATION

[SEC. 4401. SHORT TITLE.

[This part may be cited as the "Emergency Immigrant Education Act of 1984".

[SEC. 4402. DEFINITIONS.

[As used in this part—

[(1) The term "immigrant children" means children who were not born in any State and who have been attending schools in any 1 or more States for less than 3 complete academic years.

[(2) The term "elementary or secondary nonpublic schools" means schools which comply with the applicable compulsory attendance laws of the State and which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

[SEC. 4403. AUTHORIZATIONS AND ALLOCATION OF APPROPRIATIONS.

[(a) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to make payments to which State educational agencies are entitled under this part and payments for administration under section 4404 $30,000,000 for the fiscal year 1985, $40,000,000 for each of the fiscal years 1986, 1987, 1988, and 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993.

[(b) ALLOCATION OF APPROPRIATIONS.—(1) If the sums appropriated for any fiscal year to make payments to States under this part are not sufficient to pay in full the sum of the amounts which State educational agencies are entitled to receive under this part for such year, the allocations to State educational agencies shall be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amounts so appropriated.

[(2) In the event that funds become available for making payments under this part for any period after allocations have been made under paragraph (1) of this subsection for such period, the amounts reduced under such paragraph shall be increased on the same basis as they were reduced.

[SEC. 4404. STATE ADMINISTRATIVE COSTS.

[The Secretary is authorized to pay to each State educational agency amounts equal to the amounts expended by it for the proper and efficient administration of its functions under this part, except that the total of such payments for any period shall not exceed 1.5 per centum of the amounts which that State educational agency is entitled to receive for that period under this part.

[SEC. 4405. WITHHOLDING.

[Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirements of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

[SEC. 4406. STATE ENTITLEMENTS.

[(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1985 through 1993 for the purpose set forth in section 4407.

[(b) ENTITLEMENTS.—(1) Except as provided in paragraph (3) and in subsections (c) and (d) of this section, the amount of the grant to which a State educational agency is entitled under this part shall be equal to the product of (A) the number of immigrant children enrolled during such fiscal year in elementary and secondary public schools under the jurisdiction of each local educational agency described under paragraph (2) within that State, and in any elementary or secondary nonpublic school within the district served by each such local educational agency, multiplied by (B) $500.

[(2) The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children who are enrolled in elementary or secondary public schools under the jurisdiction of such agencies, and in elementary or secondary nonpublic schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

[(A) at least 500; or

[(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year;

whichever number is less.

[(3)(A) The amount of the grant of any State educational agency for any fiscal year as determined under paragraph (1) shall be reduced by the amounts made available for such fiscal year under any other Federal law for expenditure within the State for the same purpose as those for which funds are available under this part, but such reduction shall be made only to the extent that (i) such amounts are made available for such purpose specifically because of the refugee, parollee, asylee, or other immigrant status of the individuals served by such funds, and (ii) such amounts are made available to provide assistance to individuals eligible for services under this part.

[(B) No reduction of a grant under this part shall be made under subparagraph (A) for any fiscal year if a reduction is made, pursuant to a comparable provision in any such other Federal law, in the amount made available for expenditure in the State for such fiscal year under such other Federal law, based on the amount assumed to be available under this part.

[(c) DETERMINATIONS OF NUMBER OF CHILDREN.—(1) Determinations by the Secretary under this section for any period with respect to the number of immigrant children shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

[(2) No such determination with respect to the number of immigrant children shall operate because of an underestimate or overestimate to deprive any State educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

[(d) Reallocation.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to 1 or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

[SEC. 4407. USES OF FUNDS.

[(a) Supplementary Educational Services and Costs.—Payments made under this part to any State may be used in accordance with applications approved under section 4408 for supplementary educational services and costs, as described under subsection (b) of this section, for immigrant children enrolled in the elementary and secondary public schools under the jurisdiction of the local educational agencies of the State described in section 4406(b)(2) and in elementary and secondary nonpublic schools of that State within the districts served by such agencies.

[(b) Kinds of Services and Costs.—Financial assistance provided under this part shall be available to meet the costs of providing immigrant children supplementary educational services, including but not limited to—

[(1) supplementary educational services necessary to enable those children to achieve a satisfactory level of performance, including—

[(A) English language instruction;

[(B) other bilingual educational services; and

[(C) special materials and supplies;

[(2) additional basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

[(3) essential inservice training for personnel who will be providing instruction described in either paragraph (1) or (2) of this subsection.

[SEC. 4408. APPLICATIONS.

[(a) Submission.—No State educational agency shall be entitled to any payment under this part for any period unless that agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

[(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

[(2) provide assurances that payments under this part will be used for purposes set forth in section 4407;

[(3) provide assurances that such payments will be distributed among local educational agencies within that State on the basis of the number of children counted with respect to such local educational agency under section 4406(b)(1), adjusted to reflect any reductions imposed pursuant to section 4406(b)(3) which are attributable to such local educational agency;

[(4) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

[(5) provide for making such reports as the Secretary may reasonably require to perform the functions under this part; and

[(6) provide assurances—

[(A) that to the extent consistent with the number of immigrant children enrolled in the elementary or secondary nonpublic schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of these children secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children;

[(B) that the control of funds provided under this part and title to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

[(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such elementary or secondary nonpublic school and of any religious organization; and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds.

[(b) Approval of Application.—The Secretary shall approve an application which meets the requirements of subsection (a). The Secretary shall not finally disapprove an application of a State educational agency except after reasonable notice and opportunity for a hearing on the record to such agency.

[SEC. 4409. PAYMENTS.

[(a) Amount.—Except as provided in section 4403(b), the Secretary shall pay to each State educational agency having an application approved under section 4408 the amount which that State is entitled to receive under this part.

[(b) Services to Children Enrolled in Nonpublic Schools.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 4408(a)(6), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this part. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of chapter 1 of title I.

[SEC. 4410. REPORTS.

[(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, biennially, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

[(b) REPORT TO CONGRESS.—The Secretary shall submit biannually a report to the appropriate committees of the Congress concerning programs under this part.

[PART E—TERRITORIAL ASSISTANCE

[SEC. 4501. GENERAL ASSISTANCE FOR THE VIRGIN ISLANDS.

[There are authorized to be appropriated $5,000,000 for the fiscal year 1989 and for each of the 4 subsequent fiscal years, for the purpose of providing general assistance to improve public education in the Virgin Islands.

[SEC. 4502. TERRITORIAL TEACHER TRAINING ASSISTANCE.

[There are authorized to be appropriated $2,000,000 for the fiscal year 1989 and for each of the 4 subsequent fiscal years for the purpose of assisting teacher training programs in Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. From the sums appropriated pursuant to this section the Secretary shall make grants and enter into contracts for the purpose of providing training to teachers in schools in Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. The Secretary may make grants to or contracts with any organization considered qualified to provide training for teachers in such schools and shall allot such sums among such territories on the basis of the need for such training.

[PART F—SECRETARY'S FUND FOR INNOVATION IN EDUCATION

[SEC. 4601. PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—(1) From funds appropriated under this part, the Secretary is authorized to carry out programs and projects which show promise of identifying and disseminating innovative educational approaches.

[(2) The Secretary, in carrying out the provisions of this part, is authorized to—

[(A) develop, prepare, and conduct an optional test for academic excellence in accordance with section 4602;

[(B) carry out programs for technology education in accordance with section 4603;

[(C) strengthen and expand computer education resources available in public and private elementary and secondary schools in accordance with section 4604; and

[(D) establish and strengthen comprehensive school health education programs in accordance with section 4605.

[(b) ADMINISTRATIVE AUTHORITY.—The Secretary is authorized to carry out programs and projects under this section directly, or through grants to or contracts with State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

[SEC. 4602. OPTIONAL TESTS FOR ACADEMIC EXCELLENCE.

[(a) TEST OF ACADEMIC EXCELLENCE AUTHORIZED.—The Secretary is authorized, after consultation with appropriate State and local educational agencies and public and private organizations, to approve comprehensive tests of academic excellence or to develop such a test where commercially unavailable, to be administered to identify outstanding students who are in the eleventh grade of public and private secondary schools.

[(b) PREPARATION AND CONDUCT OF TESTS.—(1) The Secretary is authorized to establish a program through arrangements with appropriate State educational agencies, local educational agencies, public and private secondary schools, and public and private organizations throughout the Nation, under which the tests of academic excellence prepared or approved under this part may be given by such agencies or schools, on a voluntary basis, to students described in this section. The tests of academic excellence shall be tests of acquired skills and knowledge appropriate for the completion of a secondary school education. Such students may file applications for the test at such time and in such manner as the Secretary may prescribe. Upon application by any appropriate agency or school by such time and in such manner as the Secretary may determine, the Secretary shall pay to such agency or school the cost of the administrative expenses it has incurred pursuant to an arrangement made under this section.

[(2) The Secretary shall assure that the tests authorized by this part are conducted in a secure manner, and that test items remain confidential so that such items may be used in future tests.

[(c) CERTIFICATE.—(1) The Secretary is authorized and directed to prepare a certificate, of such appropriate design as the Secretary shall prescribe, and in such numbers as are necessary, for issuance to students who have scored at a sufficiently high level, as determined by the Secretary, on a test of academic excellence prepared or approved under this subpart and given in accordance with arrangements made under this section. Each such student shall be awarded a certificate within 60 days following the date on which the student was given the test.

[(2) Each certificate awarded pursuant to this section shall be signed by the Secretary.

[(d) REPORT.—The Secretary shall prepare and submit to the Congress a report on the estimated costs of administering, scoring, and analyzing the tests of academic excellence prepared or approved under this subpart.

[SEC. 4603. TECHNOLOGY EDUCATION.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to develop materials for educational television and radio programming for use in elementary and secondary education, together with programs which use telecommunications and video resources for the instruction of public and private elementary and secondary school students and for related teacher training programs for public and private elementary and secondary school teachers.

[(b) USES OF FUNDS.—Funds available to carry out this section may be used for—

[(1) programs and projects which use such technology to address specifically the educational needs in critical subject matter areas;

[(2) programs and projects to assist in the training of public and private elementary and secondary school teachers, administrators, and other educational personnel to use in the schools of such television programming, radio programming, telecommunications programs, or video resources, or in the coordination of such technology with the school curriculum; or

[(3) educational television, educational radio, telecommunications or video resources programs or projects which promote a partnership between elementary and secondary schools, the parents of elementary and secondary students, State educational agencies, and institutions of higher education or the community in which such schools are located.

[(c) DEFINITION.—For the purpose of this section the term "telecommunications" means the full range of technologies that can be used for educational instruction, including closed circuit television systems, educational television and radio broadcasting, cable television, satellite transmission, computer laser discs, and video and audio discs and tapes.

[SEC. 4604. PROGRAMS FOR COMPUTER-BASED INSTRUCTION.

[(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants and enter into contracts, as authorized by section 4601 for the purpose of strengthening and expanding computer education resources available in public and private elementary and secondary schools.

[(b) USES OF FUNDS.—Projects assisted under this section may include—

[(1) the acquisition and leasing of computer hardware for instructional purposes, including services necessary for the operation, installation, and maintenance of computer hardware;

[(2) the acquisition of computer software and complementary instructional materials; or

[(3) teacher training programs designed to improve the quality of instruction in computer education and to expand the use of computers in the curriculum. Such programs may make provision for teacher stipends at a rate of $275 per week for the period of attendance in such program. The Secretary may enter into cooperative agreements with the National Science Foundation and other appropriate nonprofit agencies and organizations in carrying out programs under this section.

[(c) SPECIAL RULE.—No grant may expend more than 25 percent for the acquisition of computer hardware.

[(d) PLANNING REQUIREMENT.—No grant may be made under this section unless the applicant carries out planning activities designed to facilitate the use of Federal financial assistance under this section for the expansion of computer resources in elementary or secondary schools. Such planning activities shall include—

[(1) the goals for computer education in the schools;

[(2) integration with the curriculum;

[(3) where appropriate, provisions for computer use after school by students, parents, teachers, and adult learners; and

[(4) standards for the evaluation of computer education programs.

[SEC. 4605. PROGRAMS FOR THE IMPROVEMENT OF COMPREHENSIVE SCHOOL HEALTH EDUCATION.

[(a) GENERAL AUTHORITY.—The Secretary through the Office established under subsection (c) of this section, may—

[(1) encourage State and local educational agencies to provide comprehensive school health education to the elementary and secondary school students in the schools of such agencies;

[(2) provide technical support to State and local educational agencies on health education programs and curricula;

[(3) make grants to State and local educational agencies in accordance with this section;

[(4) provide an annual report on the progress of the Office (established under subsection (c)) and the status of school health education in the United States;

[(5) cooperate with other Federal agencies carrying out school health education programs to ensure coordination of such programs; and

[(6) advise the Secretary on school health education policy.

[(b) USES OF FUNDS.—Grants under this section may be used to improve elementary and secondary education in the areas of—

[(1) personal health and fitness;

[(2) nutrition;

[(3) mental and emotional health;

[(4) prevention of chronic diseases;

[(5) substance use and abuse;

[(6) accident prevention and safety;

[(7) community and environmental health;

[(8) prevention and control of communicable diseases;

[(9) effective use of the health services delivery system; and

[(10) development and aging.

[(c) OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION.—The Secretary may establish within the Office of the Secretary an Office of Comprehensive School Health Education with the following responsibilities:

[(1) To recommend mechanisms for the coordination of school health education programs conducted by various Federal agencies.

[(2) To advise the Secretary on the formulation of school health education policy within the Department of Education.

[(3) To disseminate information on the benefits to health education of utilizing a comprehensive health curriculum in schools.

[SEC. 4606. ALTERNATIVE CURRICULUM SCHOOLS.

[(a) STATEMENT OF PURPOSE.—It is the purpose of this section to assist—

[(1) local educational agencies;

[(2) consortia of such agencies; and

[(3) intermediate educational units;

which have significant percentages of minority students to establish and conduct programs which reflect a minority composition of at least 50 percent in the alternative curriculum school established by the applicant to strengthen the knowledge of elementary and secondary school students in academic subjects and to contribute to the desegregation of the schools of the applicant.

[(b) ELIGIBILITY.—A local educational agency, consortium of such agencies, or intermediate educational unit, is eligible to receive a grant under this section if such agency, unit, or consortium submits an application which contains evidence of collaborative arrangements between the applicant and an institution of higher education, a community-based organization, another local educational agency, an appropriate State educational agency, or any combination of such institutions, organizations, or agencies.

[(c) USES OF FUNDS.—Grants under this section may be used for—

[(1) planning and outreach activities directly related to expansion and enhancement of academic programs and services in the alternative curriculum school;

[(2) the acquisition of books, materials, and equipment (including computers and the maintenance and operation thereof) necessary for the conduct of educational programs in the alternative curriculum school; and

[(3) the payment, or subsidization of the compensation, of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of educational programs in the alternative curriculum school;

whenever such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving the vocational skills of elementary and secondary school students.

[(d) APPLICATIONS.—Each applicant desiring to receive a grant under this section shall submit an application in such form, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

[(1) provide assurances that the assistance will be used for the purposes described in subsection (c);

[(2) provide assurances that the local educational agency or intermediate educational unit would have a minority composition of at least 65 percent, or in the case of a consortium, that at least one local educational agency would have a minority composition of 65 percent;

[(3) provide assurances that the students served in the alternative curriculum school established reflect a minority composition of at least 50 percent;

[(4) demonstrate the extent to which the alternative curriculum school will contribute to desegregation in the local educational agency;

[(5) demonstrate the extent to which the alternative curriculum school will contribute to the improvements of the academic quality of the education offered by schools throughout the local educational agency;

[(6) describe the collaborative efforts required by subsection (b);

[(7) provide assurances that teachers will be employed in the courses of instruction assisted under this section who are certified or licensed by the State to teach the subject matter of the courses of instruction;

[(8) provide assurances that the applicant will not engage in discrimination based upon race, religion, color, national origin, sex, or handicapping conditions in—

[(A) hiring, promotion, or assignment of employees of the applicant or other personnel for whom the applicant has any administrative responsibility;

[(B) the mandatory assignment of students to schools or to courses of instruction within schools of such applicant, except as is necessary to carry out an approved desegregation plan; and

[(C) designing or operating extracurricular activities for students;

[(9) describe how funds made available under this section will be used to promote integration and provide a high quality education program for local educational agencies with significant concentrations of minority students;

[(10) describe how such applicant will devote its resources to continuing the program when funds made available to it under this section may no longer be made available; and

[(11) provide such other assurances as the Secretary determines necessary.

[(e) UNUSED AMOUNTS.—In any fiscal year in which amounts are appropriated but not allocated under this section, the Secretary shall use such amounts to make grants under title III of this Act (relating to magnet schools).

[(f) SPECIAL EVIDENTIARY RULE.—Notwithstanding any other provision of law, the award of funds under this section may not be used in any cause of action or administrative proceeding as evidence relating to the issue of desegregation of a public school of a local educational agency receiving such an award.

[SEC. 4607. INNOVATIVE ALCOHOL ABUSE EDUCATION PROGRAMS.

[(a) PROGRAMS FOR CHILDREN OF ALCOHOLICS.—The Secretary is authorized to develop materials for innovative programs of alcohol abuse education, especially programs that focus on the effect of the disease of alcoholism on families of alcoholics, particularly with respect to children of alcoholics. Programs for which materials are developed under the preceding sentence should be programs designed to benefit young children, particularly children in grades 5 through 8.

[(b) Training Programs for Educators.—The Secretary may make grants to programs for educators that are designed to—

[(1) increase awareness of children's problems that may be caused by an alcoholic parent;

[(2) enhance the ability of such educators to identify children at risk for alcohol abuse;

[(3) inform such educators concerning referral of children of alcoholics for appropriate professional treatment; and

[(4) train such educators to inform the public about the special problems of children who have an alcoholic parent.

[SEC. 4608. NATIONAL GEOGRAPHY STUDIES CENTERS.

[(a) Program Authorized.—(1) The Secretary is authorized to enter into a contract with the Education Foundation of the National Geographic Society in order to pay the Federal share of the cost of the establishment and operation of National Geography Studies Centers. Each Center shall be for the study of geography in elementary and secondary schools.

[(2) For the purpose of this section—

[(A) the term "contractor" means the Education Foundation of the National Geographic Society; and

[(B) the term "Centers" mean the National Geography Studies Centers assisted under this section.

[(b) Requirements of Contract.—The contract described in subsection (a)(1) shall provide that—

[(1) funds made available to the contractor pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating the Centers in accordance with this section; and

[(2) the contractor will carry out the provisions of this section.

[(c) Establishment of Centers.—In carrying out the provisions of this section, the contractor may enter into contracts with or make grants to local educational agencies, State educational agencies, State higher educational agencies, institutions of higher education, or consortia thereof, to establish and operate the Centers.

[(d) Functions of the Centers.—(1) Each Center assisted under this section shall—

[(A) support programs for the study of geography for elementary and secondary school students, that may include laboratory schools and summer institutes;

[(B) support programs which provide elementary and secondary school teacher retraining and inservice training in geography and may make provision for teacher stipends for the period of participation in the program; and

[(C) establish procedures, through an advisory panel, for selecting elementary and secondary school students and teachers for the programs supported through the centers.

The selection procedures under subparagraph (C), to the extent practicable, shall take into account geographic distribution and the needs for greater access to, and participation in, geography studies by students and teachers from historically underrepresented groups including females, minorities, and individuals with handicaps.

[(2) Each Center may—

[(A) support the development and dissemination of innovative curriculum in geography;

[(B) develop geography curriculum to be used in other subject areas such as environmental studies, science, international culture and politics, history, and foreign language studies; and

[(C) provide technical and resource assistance in geography to elementary and secondary schools in the region served by the Center.

[(e) FEDERAL SHARE.—The Federal share for each fiscal year shall be 75 percent.

[SEC. 4609. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

[(a) GENERAL AUTHORITY.—

[(1) PROGRAM ESTABLISHED.—The Secretary shall carry out a program to educate students about the history and principles of the Constitution of the United States, including the Bill of Rights, and to foster civic competence and civil responsibility. Such program shall be known as "We the People . . . The Citizen and the Constitution".

[(2) EDUCATIONAL ACTIVITIES.—The program required by paragraph (1) shall continue and expand the educational activities of the National Bicentennial Competition of the Constitution and Bill of Rights administered by the Center for Civic Education.

[(3) CONTRACT OR GRANT AUTHORIZED.—The Secretary is authorized to enter into a contract or grant with the Center for Civic Education to carry out the program required by paragraph (1).

[(b) PROGRAM CONTENT.—The education program authorized by this section shall provide—

[(1) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and Bill of Rights;

[(2) school and community simulated congressional hearings following the course of study at the request of participating schools; and

[(3) an annual national competition of simulated congressional hearings for secondary students who wish to participate in such program.

[(c) PROGRAM PARTICIPANTS.—The education program authorized by this section shall be made available to public and private elementary and secondary schools in the 435 congressional districts, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

[(d) SPECIAL RULE.—Funds provided under this section may be used for the advanced training of teachers about the Constitution and Bill of Rights after the provisions of subsection (b) have been implemented.

[(e) REPORT.—The Secretary shall report on a biennial basis, to the appropriate committees of the Congress on the distribution and use of funds authorized pursuant to the authority of subsection (f).

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provisions of this section.

[SEC. 4610. AUTHORIZATION OF APPROPRIATIONS.

[(a) There are authorized to be appropriated $20,000,000 for the fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 through 1993, to carry out the provisions of this part (other than sections 4606 and 4607).

[(b)(1) Subject to paragraph (2), there are authorized to be appropriated $35,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 through 1993 to carry out section 4606.

[(2) No appropriation may be made under paragraph (1) for any fiscal year unless the amount appropriated for the Magnet Schools Assistance Program in title III for that fiscal year is equal to or exceeds $165,000,000.

[(d) There are authorized to be appropriated $5,000,000 for the fiscal year 1989, and each succeeding fiscal year ending prior to October 1, 1993, to carry out section 4607.

PART G—READY TO LEARN TELEVISION

[SEC. 4701. READY TO LEARN.

[(a) IN GENERAL.—The Secretary is authorized to enter into contracts, cooperative agreements, or grants with entities described in section 4702(b) to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate the achievement of the national education goals.

[(b) AVAILABILITY.—In making such contracts, cooperative agreements, or grants, the Secretary shall ensure that recipients make programming widely available with support materials as appropriate to young children, their parents, child care workers, and Head Start providers to increase the effective use of such programming.

[SEC. 4702. EDUCATIONAL PROGRAMMING.

[(a) AWARDS.—The Secretary shall award contracts, cooperative agreements, or grants to eligible entities to—

[(1) facilitate the development directly or through contracts with producers of children and family educational television programming, educational programming for preschool and elementary school children, and accompanying support materials and services that promote the effective use of such programming; and

[(2) contract with entities (such as public broadcasting entities and those funded under the Star Schools Assistance Act) in order that programs developed under this section are disseminated and distributed to the widest possible audience appropriate to be served by the programming by the most appropriate distribution technologies.

[(b) ELIGIBLE ENTITIES.—To be eligible to receive a contract, cooperative agreement, or grant under subsection (a), an entity shall be—

[(1) a nonprofit, nongovernmental entity able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality for preschool and elementary school children; and

[(2) able to demonstrate a capacity to contract with the producers of children's television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children.

[(c) CULTURAL EXPERIENCES.—Programming developed under this section shall reflect the recognition of diverse cultural experiences and the needs and experiences of both boys and girls in engaging and preparing young children for schooling.

[SEC. 4703. DUTIES OF SECRETARY.

[The Secretary is authorized—

[(1) to establish and administer a Special Projects of National Significance program to award contracts, cooperative agreements, or grants to public and nonprofit private entities, or local public television stations or such public television stations that are part of a consortium with one or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations of demonstrated effectiveness, for the purpose of—

[(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and instructional television programming to foster the school readiness of such children;

[(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

[(C) identifying, supporting, and enhancing the effective use and outreach of innovative programs that promote school readiness;

[(2) to establish within the Department a clearinghouse to compile and provide information, referrals and model program materials and programming obtained or developed under this part to parents, child care providers, and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this part; and

[(3) to develop and disseminate training materials, including—

[(A) interactive programs and programs adaptable to distance learning technologies that are designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions; and

[(B) support materials to promote the effective use of materials developed under paragraph (2);

among parents, Head Start providers, in-home and center based day care providers, early childhood development personnel, and elementary school teachers, public libraries, and after school program personnel caring for preschool and elementary school children;

[(4) coordinate activities with the Secretary of Health and Human Services in order to—

[(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

[(B) provide information to grantees of Federal programs that have major training components for early childhood development, including Head Start, Even Start, and State training activities funded under the Child Care Development Block Grant Act of 1990 regarding the availability and utilization of materials developed under paragraph (3) to enhance parent and child care provider skills in early childhood development and education.

[SEC. 4704. APPLICATIONS.

[Each eligible entity desiring a contract, cooperative agreement, or grant under section 4701 or 4703 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[SEC. 4705. REPORTS AND EVALUATION.

[(a) ANNUAL REPORT TO SECRETARY.—An entity receiving funds under section 4701 shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under this section, including—

[(1) the programming that has been developed directly or indirectly by the entity, and the target population of the programs developed;

[(2) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

[(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

[(4) the initiatives undertaken by the entity to develop public-private partnerships to secure non-Federal support for the development and distribution and broadcast of educational and instructional programming.

[(b) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report which includes—

[(1) a summary of the information made available under section 4702(a);

[(2) a description of the training materials made available under section 4703(3), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such section.

[SEC. 4706. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $25,000,000 for fiscal year 1993, and such sums as may be necessary for fiscal year 1994. Not less than 60 percent of the amounts appropriated under this subsection for each fiscal year shall be used to carry out section 4702.

[(b) SPECIAL PROJECTS.—Of the amount appropriated under subsection (1) for each fiscal year, at least 10 percent of such amount shall be utilized in each such fiscal year for activities under section 4703(1)(C).

[SEC. 4707. ADMINISTRATIVE COSTS.

[With respect to the implementation of section 4702, entities receiving a contract, cooperative agreement, or grant from the Secretary may use up to 5 percent of the amounts received under such section for the normal and customary expenses of administering the contract, cooperative agreement, or grant.

[SEC. 4708. DEFINITION.

[For the purposes of this part, the term "distance learning" means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

[TITLE V—DRUG EDUCATION

[SEC. 5101. SHORT TITLE.

[This title may be cited as the "Drug-Free Schools and Communities Act of 1986".

[SEC. 5102. FINDINGS.

[The Congress finds that:

[(1) Drug abuse education and prevention programs are essential components of a comprehensive strategy to reduce the demand for and use of drugs throughout the Nation.

[(2) Drug use and alcohol abuse are widespread among the Nation's students, not only in secondary schools, but increasingly in elementary schools as well.

[(3) The use of drugs and the abuse of alcohol by students constitute a grave threat to their physical and mental well-being and significantly impede the learning process.

[(4) The tragic consequences of drug use and alcohol abuse by students are felt not only by students and their families, but also by their communities and the Nation, which can ill afford to lose their skills, talents, and vitality.

[(5) Schools and local organizations in communities throughout the Nation have special responsibilities to work together to combat the scourge of drug use and alcohol abuse.

[(6) Prompt action by our Nation's schools, families, and communities can bring significantly closer the goal of a drug-free generation and a drug-free society.

[SEC. 5103. PURPOSE.

[It is the purpose of this title to establish programs of drug abuse education and prevention (coordinated with related community efforts and resources) through the provision of Federal financial assistance—

[(1) to States for grants to local and intermediate educational agencies and consortia to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

[(2) to States for grants to and contracts with community-based organizations for programs of drug abuse prevention, early intervention, rehabilitation referral, and education for school dropouts and other high-risk youth;

[(3) to States for development, training, technical assistance, and coordination activities;

[(4) to institutions of higher education to establish, implement, and expand programs of drug abuse education and prevention (including rehabilitation referral) for students enrolled in colleges and universities; and

[(5) to institutions of higher education in cooperation with State and local educational agencies for teacher training programs in drug abuse education and prevention.

[PART A—FINANCIAL ASSISTANCE FOR DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS

[SEC. 5111. AUTHORIZATION OF APPROPRIATIONS.

[(a)(1) IN GENERAL.—For the purpose of carrying out this title (other than part C and section 5136), there are authorized to be appropriated $350,000,000 for the fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993.

[(2)(A) Except as provided in subparagraph (B), there are authorized to be appropriated for purposes of carrying out part C and section 5136 $16,000,000 for fiscal year 1989, $20,000,000 for the fiscal year 1990, and $50,000,000 for each of the fiscal years 1991, 1992, and 1993.

[(B) No funds may be appropriated for any fiscal year pursuant to the authorization contained in subparagraph (A) unless the amount appropriated for such fiscal year pursuant to the authorization contained in paragraph (1) is not less than $215,000,000.

[(3) There are authorized to be appropriated for purposes of carrying out section 5136 $25,000,000 for each of the fiscal years 1991, 1992, and 1993,

[(b) AVAILABILITY.—(1) Appropriations for any fiscal year for payments made under this title in accordance with regulations of the Secretary may be made available for obligation or expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

[(2) Funds appropriated for any fiscal year under this title shall remain available for obligation and expenditure until the end of the fiscal year succeeding the fiscal year for which such funds were appropriated.

[SEC. 5112. RESERVATIONS AND STATE ALLOTMENTS.

[(a) RESERVATIONS.—Except as provided in subsection (c), from the sums appropriated or otherwise made available to carry out this title for any fiscal year, the Secretary shall reserve—

[(1) 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs;

[(2) 1 percent for programs for Indian youth under section 5133;

[(3) 0.2 percent for programs for Hawaiian natives under section 5134;

[(4) 8 percent for programs with institutions of higher education under section 5131;

[(5) 3.5 percent for Federal activities under section 5132; and

[(6) 4.5 percent for regional centers under section 5135.

[(b) STATE ALLOTMENTS.—(1) From the remainder of the sums not reserved under subsection (a), the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall be allotted less than an amount equal to 0.5 percent of such remainder.

[(2) The Secretary may reallot any amount of any allotment to a State to the extent that the Secretary determines that the State will not be able to obligate such amount within 2 years of allotment. Any such reallotment shall be made on the same basis as an allotment under paragraph (1).

[(3) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under this subsection from amounts appropriated for that fiscal year.

[(c) DISTRIBUTION OF APPROPRIATIONS.—Except for funds provided for any fiscal year for part C of this title and sections 5136 and 5137, and for fiscal year 1991 for section 5146, the Secretary shall distribute any amounts appropriated or otherwise made available to carry out this title for any fiscal year in the following manner:

[(1) In any year in which the total of such amounts is not more than the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989, the Secretary shall distribute such total amount as provided in subsections (a) and (b).

[(2) In any year in which the total of such amounts is greater than the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989, the amount in excess of the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989 shall be distributed as follows:

[(A) Such amount as is necessary to carry out the reservations under paragraphs (1), (2), and (3) of subsection (a);

[(B)(i) Except as provided in clause (ii), not more than $14,700,000 to be allocated to the chief executive officer of each State, in an amount which bears the same ratio to such amount as the school-age population of the State bears to the school-age population of all States.

[(ii) For fiscal year 1990, in addition to amounts made available under clause (i), $25,000,000 shall be available for distribution to the chief executive officer of each State in an amount which bears the same ratio to such additional amount as the school-age population of the State bears to the school-age population of all States. Funds available under this clause shall be used to carry out section 5136.

[(C) Subject to subparagraph (D), of the remainder—

[(i) 50 percent of such remainder shall be distributed to the States under subsection (b); and

[(ii) 50 percent of such remainder shall be distributed to the States on the basis of the amounts received by each State under part A of title I of chapter 1 for the preceding fiscal year.

[(D) Under subparagraph (C), no State shall be allotted less than an amount equal to 0.5 percent of such remainder.

[(d) DEFINITION.—For the purposes of this section, the term "State" means any of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

[PART B—STATE AND LOCAL PROGRAMS

[SEC. 5121. USE OF ALLOTMENTS BY STATES.

[(a) STATE PROGRAM.—(1) An amount equal to 30 percent of the total amount paid to a State from its allotment under section 5112 for any fiscal year shall be used by the chief executive officer of such State for a State program in accordance with section 5122.

[(2) Not more than 2.5 percent of the amount reserved under paragraph (1) may be used for administrative costs of the chief executive officer of the State incurred in carrying out the duties of the chief executive officer under this part.

[(b) WITHIN STATE DISTRIBUTION; ADMINISTRATIVE COSTS.—An amount equal to 70 percent of the total amount paid to a State from its allotment under section 5112 for any fiscal year shall be used by the State educational agency to carry out its responsibilities in accordance with section 5124 and for grants to local and intermediate educational agencies and consortia for programs and activities in accordance with section 5125.

[(c) USE OF ADDITIONAL AMOUNTS.—Any amounts received by a State under section 5112(c)(2)(C) shall be used by the State educational agency to make grants to local educational agencies for purposes of carrying out programs in accordance with section 5125. The State educational agency shall distribute any such amounts among the local educational agencies within the State on the basis of the amounts received by each such local educational agency under part A of title I of chapter 1[1] for the preceding fiscal year.

[SEC. 5122. STATE PROGRAMS.

[(a) IN GENERAL.—Not more than 42.5 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for grants to and contracts with parent groups, community action agencies, community-based organizations, and other public entities and private nonprofit entities) for the development and implementation of programs and activities such as—

[(1) local broadly based programs for drug and alcohol abuse prevention, early intervention, rehabilitation referral, and education for all age groups;

[(2) training programs concerning drug abuse education and prevention for teachers, counselors, other educational personnel, parents, local law enforcement officials, judicial officials, other public service personnel, and community leaders;

[(3) the development and distribution of educational and informational materials to provide public information (through the media and otherwise) for the purpose of achieving a drug-free society;

[(4) technical assistance to help community-based organizations and local and intermediate educational agencies and consortia in the planning and implementation of drug abuse prevention, early intervention, rehabilitation referral, and education programs;

[(5) activities to encourage the coordination of drug abuse education and prevention programs with related community efforts and resources, which may involve the use of a broadly representative State advisory council including members of the State board of education, members of local boards of education, parents, teachers, counselors, health and social service professionals, and others having special interest or expertise;

[(6) other drug abuse education and prevention activities consistent with the purposes of this title, which may include a youth suicide prevention program;

[(7) intrastate drug and alcohol abuse education and prevention centers for providing outreach, consultation, training, and referral services to schools, organizations, and members of the community, except that—

[(A) any administrative expenses of such centers, including overhead expenses, shall be considered, for the purposes of section 5121(a)(2), to be administrative costs of the chief administrative officer of the State incurred in carrying out the duties of the chief executive officer under this part;

[(B) amounts made available for purposes of this paragraph may not be used for building or construction; and

[(C) the activities of any such center that receives assistance under this paragraph shall be coordinated with the activities of other relevant centers in the State; and

[(8) to promote, establish, and maintain drug-free school zones for schools within the State, which shall include—

[(A) the determination, with the assistance of municipal authorities and local law enforcement agencies, as appropriate, of the geographical boundaries of schools within the State and the posting of signs identifying school properties as drug-free school zones;

[(B) drug-abuse education and prevention programs and enforcement policies designed to eliminate the illicit use of alcohol and drugs in such zones;

[(C) assisting teachers, administrators, athletic directors, and other school personnel in cooperating fully with law enforcement officials to punish violations of laws relating to illegal drugs;

[(D) informing the community—

[(i) of the content and intent of laws relating to school safety and laws relating to illegal drugs as they affect schoolchildren; and

[(ii) of the perimeters of the drug-free school zones;

[(E) employing the services of the local or substate regional advisory council on drug abuse education and prevention established or designated by the local application submitted under section 5126(a) as a resource for advice and support with respect to implementation of such zones; and

[(F) communication to students, teachers, athletic directors, and other school personnel by administrators that activities that are illicit and harmful to the health and well-being of the students will not be tolerated within schools and their surrounding environments.

[(b) INNOVATIVE PROGRAMS.—(1) Not less than 42.5 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for innovative community-based programs of coordinated services for high-risk youth. The chief executive officer shall make grants to or enter into contracts with public entities or private nonprofit entities for purposes of providing community-based programs of coordinated services that are designed for high-risk youths, including programs that use strategies to improve skills of such youths such as vocational and educational counseling and job skills training, giving priority to assisting community action agencies, community-based organizations, parent groups, and other entities which are representative of communities or significant segments of communities and which have the capability to provide such services. The chief executive officer shall also make grants to private nonprofit organizations to develop new strategies to communicate anti-drug abuse messages to youths.

[(2) For purposes of this subsection, the term "high risk youth" means an individual who has not attained the age of 21 years, who is at high risk of becoming or who has been a drug or alcohol abuser, and who—

[(A) is a school dropout;

[(B) has experienced repeated failure in school;

[(C) has become pregnant;

[(D) is economically disadvantaged;

[(E) is the child of a drug or alcohol abuser;

[(F) is a victim of physical, sexual, or psychological abuse;

[(G) has committed a violent or delinquent act;

[(H) has experienced mental health problems;

[(I) has attempted suicide;

[(J) has experienced long-term physical pain due to injury; and

[(K) is a juvenile in a detention facility within the State.

[(3) Not more than 10 percent of participants in programs under paragraph (1) may be individuals who are not high-risk youth if the Secretary determines that the participation of such individuals will not significantly diminish the amount or quality of services provided to high-risk youth.

[(c) Amounts made available to the chief executive officer of a State for use under this section shall be expended only for activities that—

[(1) are authorized under subsection (a) or (b); and

[(2) have demonstrable benefits for individuals who are eligible to participate in such activities.

[(d) DRUG TESTING PROGRAMS.—For each fiscal year, amounts made available to the chief executive officer of a State by section 5121(a) may be used for nondiscriminatory random drug testing programs for students voluntarily participating in athletic activities only in schools which voluntarily choose to participate in such a program. Nothing in this subsection shall prescribe or prohibit the use of drug testing programs.

[(c) DRUG ABUSE RESISTANCE EDUCATION PROGRAMS.—(1) Not less than 10 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for grants to local educational agencies in consortium with entities which have experience in assisting school districts to provide instruction to students grades kindergarten through 6 to recognize and resist pressures that influence such students to use controlled substances, as defined in Schedules I and II of section 202 of the Controlled Substances Act the possession or distribution of which is unlawful under such Act, or beverage alcohol, such as Project Drug Abuse Resistance Education, that meet the requirements of paragraph (2).

[(2) A local educational agency in consortium with an entity shall not be eligible for a grant under paragraph (1) unless such local educational agency in consortium with an entity will use assistance provided under such grant to provide or arrange for the provisions of services that shall include—

[(A) drug abuse resistance education instruction for students grades kindergarten through 6 that is designed to teach students to recognize and resist pressures to experiment that influence such children to use controlled substances, as defined under paragraph (1), or beverage alcohol, including instruction in the following areas—

[(i) drug use and misuse;

[(ii) understanding the consequences of drug abuse;

[(iii) resistance techniques;

[(iv) assertive response styles;

[(v) managing stress without taking drugs;

[(vi) decisionmaking and risk taking;

[(vii) media influences on drug use;

[(viii) positive alternatives to drug abuse behavior;

[(ix) interpersonal and communication skills;

[(x) self-esteem building activities; and

[(xi) resistance to peer pressure and gang pressure;

[(B) provisions for parental involvement;

[(C) classroom instruction by uniformed law enforcement officials;

[(D) the use of positive student leaders to influence younger students not to use drugs;

[(E) an emphasis on activity-oriented techniques designed to encourage student-generated responses to problem-solving situations; and

[(F) the awarding of a certificate of achievement to each student who participates in a drug abuse resistance education program.

[(3) Amounts received under paragraph (1) by any local educational agency or entity shall be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of projects of the type described in paragraph (2).

[(d) REPLICATION OF SUCCESSFUL DRUG EDUCATION PROGRAMS.—Not less than 5 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for grants to local educational agencies or consortia of local educational agencies and private nonprofit entities to provide drug abuse education, prevention, or counseling services to students in kindergarten through grade 12.

[(e) ELIGIBILITY.—A local educational agency or consortium described in subsection (a) shall not be eligible for a grant under this section unless such agency or consortium agrees—

[(1) to use assistance provided under such grant to provide or arrange for the provision of programs offering drug abuse education, prevention, or counseling to students of compulsory school age, including—

[(A) programs to provide drug abuse counseling in the schools by trained personnel;

[(B) programs that stress the use of peers to combat student abuse of drugs and alcohol;

[(C) programs that stress parental and community involvement in combating student abuse of drugs and alcohol; and

[(D) other appropriate programs;

[(2) that programs provided with assistance under the grant shall be designed to prevent or eliminate student abuse of drugs or alcohol;

[(3) to use assistance provided under the grant to expand or replicate a program that has a demonstrated record of success at either the State or local level in preventing or eliminating student abuse of drugs or alcohol; and

[(4) to ensure that the program to be expanded or replicated is appropriate for the students to be served, based on an assessment of their most important needs.

[(f)[1] APPLICATION.—A local educational agency or consortium described in subsection (a) that desires to receive a grant under this section shall submit an application to the chief executive office of the State at such time, in such manner, and containing or accompanied by such information and assurances as such officer may reasonably require. Each such application shall contain—

[(1) a discussion of why the particular program to be assisted under the grant is appropriate for and responds to the particular needs of the students to be served;

[(2) a complete description of the success of the program to be assisted under the grant in reducing or eliminating drug or alcohol abuse among students of compulsory school age;

[(3) an assurance that the consortium concerned will provide assistance, in cash or in kind, for the program assisted under the grant in an amount equal to not less than 10 percent of the amount provided under the grant; and

[(4) an assurance that funds received under the grant shall be used to supplement, not supplant, the amount of other Federal, State, and local funds expended for support of programs of the type described in subsection (b).

[SEC. 5123. STATE APPLICATIONS.

[(a) In General.—In order to receive an allotment under section 5112(b), a State shall submit an application to the Secretary. As part of such application, the chief executive officer of the State shall agree to use the funds made available under section 5121(a) in accordance with the requirements of this part. As part of such application, the State educational agency of the State shall agree to use the funds made available under section 5121(b) in accordance with the requirements of this part.

[(b) Contents of Applications.—The application submitted by each State under subsection (a) shall—

[(1) cover a period of three fiscal years;

[(2) be submitted at such time and in such manner, and contain such information, as the Secretary may require;

[(3) contain assurances that the Federal funds made available under this part for any period will be so used as to supplement and increase the level of State, local, and non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under this part and will in no event supplant such State, local, and other non-Federal funds;

[(4) provide that the State will keep such records and provide such information as may be required by the Secretary for fiscal audit and program evaluation;

[(5) contain assurances that there is compliance with the specific requirements of this part;

[(6) include a comprehensive plan describing how money allocated to the chief executive officer is to be used;

[(7) describe the manner in which the State educational agency will coordinate its efforts with appropriate State health, law enforcement, and drug abuse prevention agencies, including the State agency which administers the Alcohol, Drug Abuse, and Mental Health block grant under part B of title XIX of the Public Health Service Act, and judicial officials;

[(8) provide assurances that the State educational agency will provide financial assistance under this part only to local and intermediate educational agencies and consortia which establish and implement drug abuse education and prevention programs in elementary and secondary schools;

[(9) provide for an annual evaluation of the effectiveness of programs assisted under this part;

[(10) provide a description of how, where feasible, the alcohol and drug abuse programs will be coordinated with youth suicide prevention programs funded by the Federal Government, State and local governments, and nongovernmental agencies and organizations;

[(11) provide a description of State teacher certification requirements, if applicable, regarding training in drug and alcohol abuse education and prevention; and

[(12) include a plan for providing innovative programs of drug abuse education for juveniles in detention facilities within the State as required by section 5122(b)(1)(A).

[SEC. 5124. RESPONSIBILITIES OF STATE EDUCATIONAL AGENCIES.

[(a) GRANTS TO LOCAL AND INTERMEDIATE EDUCATIONAL AGENCIES.—(1) Each State educational agency shall use a sum which shall not be less than 90 percent of the amounts available under section 5121(b) for each fiscal year for grants to local educational agencies, intermediate educational agencies, and consortia in the State, in accordance with applications approved under section 5126.

[(2) From the sum described in paragraph (1), the State educational agency shall distribute funds for use among local educational agencies, intermediate educational agencies, and consortia in the State on the basis of the relative enrollments in public schools and private nonprofit schools served by such agencies and consortia.

[(3)(A) Not later than July 1 of each year, the State educational agency shall inform each local educational agency, intermediate educational agency, and consortium in the State of the amount allocated to such agency or consortium from amounts available under subsections (b) and (c) of section 5121. If a local educational agency or a consortium of local educational agencies chooses not to apply to receive the amount allocated to such agency under this subsection, the State educational agency—

[(i) shall distribute such amount to the intermediate educational agency serving such local educational agency or consortium; or

[(ii) may, if it is able to facilitate the arrangement of a consortium among local educational agencies in the State that choose not to apply to receive the amounts allocated to such agencies under this subsection, distribute such amount to such consortium.

[(B) The State educational agency shall distribute to a local educational agency, intermediate educational agency, or consortium the amount allocated to such agency or consortium from amounts available under subsections (b) and (c) of section 5121 upon the approval of an application for such agency under section 5126.

[(4)(A) Except as provided in subparagraph (B), upon the expiration of the 1-year period beginning on the date that a local educational agency, intermediate educational agency, or consortium under this subsection receives its allocation under this subsection—

[(i) such agency or consortium shall return to the State educational agency any funds from such allocation that remain unobligated; and

[(ii) the State educational agency shall reallocate any such amount to local educational agencies, intermediate educational agencies, or consortia that have plans for using such amount for programs or activities on a timely basis.

[(B) In any fiscal year, a local educational agency, intermediate educational agency, or consortium may retain for obligation in the succeeding fiscal year—

[(i) an amount equal to not more than 25 percent of the allocation it receives under this subsection for such fiscal year; or

[(ii) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

[(b) STATE PROGRAMS.—Each State educational agency shall use not more than 10 percent of the amounts available under section 5121(b) for each fiscal year for such activities as—

[(1) training and technical assistance programs concerning drug abuse education and prevention for local and intermediate educational agencies, including teachers, administrators, athletic directors, other educational personnel, parents, local law enforcement officials, and judicial officials;

[(2) the development, identification, and dissemination of the most readily available, accurate, and up-to-date model curriculum materials that clearly and consistently teach that illicit drug use is harmful for consideration by local educational agencies and for evaluation of the materials;

[(3) demonstration projects in drug abuse education and prevention;

[(4) special financial assistance to enhance resources available for drug abuse education and prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet special needs; and

[(5) administrative costs of the State educational agency in carrying out its responsibilities under this part, not in excess of 5 percent of the amounts available under subsections (b) and (c) of section 5121.

[SEC. 5125. LOCAL DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS.

[(a) IN GENERAL.—Any amounts made available to local or intermediate educational agencies or consortia under section 5124(a) shall be used for drug and alcohol abuse prevention and education programs and activities, including—

[(1) the development, acquisition, and implementation of elementary and secondary school drug abuse education and prevention curricula and textbooks and materials, including audiovisual materials—

[(A) developed from the most readily available, accurate, and up-to-date information; and

[(B) which clearly and consistently teach that illicit drug use is wrong and harmful;

[(2) school-based programs of drug abuse prevention and early intervention (other than treatment), which—

[(A) should, to the extent practicable, employ counselors whose sole duty is to provide drug abuse prevention counseling to students;

[(B) may include the use of drug-free older students as positive role models and instruction relating to—

[(i) self-esteem;

[(ii) drugs and drug addiction;

[(iii) decisionmaking and risk-taking;

[(iv) stress management techniques; and

[(v) assertiveness;

[(C) may bring law enforcement officers into the classroom to provide antidrug information and positive alternatives to drug use, including decisionmaking and assertiveness skills; and

[(D) in the case of a local educational agency that determines it has served all students in all grades, such local educational agency may target additional funds to particularly vulnerable age groups, especially those in grades 4 through 9;

[(3) family drug abuse prevention programs, including education for parents to increase awareness about the symptoms and effects of drug use through the development and dissemination of appropriate educational materials;

[(4) drug abuse prevention and intervention counseling programs (which counsel that illicit drug use is wrong and harmful) for students, parents, and immediate families, including professional and peer counselors and involving the participation (where appropriate) of parent, or other adult counselors and reformed abusers, which may include—

[(A) the employment of counselors, social workers, psychologists, or nurses who are trained to provide drug abuse prevention and intervention counseling; or

[(B) the provision of services through a contract with a private nonprofit organization that employs individuals who are trained to provide such counseling;

[(5) outreach activities, drug and alcohol abuse education and prevention programs, and referral services, for school dropouts;

[(6) guidance counseling programs and referral services for parents and immediate families of drug and alcohol abusers;

[(7) programs of referral for drug abuse treatment and rehabilitation;

[(8) programs of inservice and preservice training in drug and alcohol abuse prevention for teachers, counselors, other school personnel, athletic directors, public service personnel, law enforcement officials, judicial officials, and community leaders;

[(9) programs in primary prevention and early intervention, such as the interdisciplinary school-team approach;

[(10) community education programs and other activities to involve parents and communities in the fight against drug and alcohol abuse;

[(11) public education programs on drug and alcohol abuse, including programs utilizing professionals and former drug and alcohol abusers;

[(12) model alternative schools for youth with drug problems that address the special needs of such students through education and counseling; and

[(13) on-site efforts in schools to enhance identification and discipline of drug and alcohol abusers, and to enable law enforcement officials to take necessary action in cases of drug possession and supplying of drugs and alcohol to the student population;

[(14) special programs and activities to prevent drug and alcohol abuse among student athletes, involving their parents and family in such drug and alcohol abuse prevention efforts and using athletic programs and personnel in preventing drug and alcohol abuse among all students;

[(15) in the case of a local educational agency that determines that it provides sufficient drug and alcohol abuse education during regular school hours, after-school programs that provide drug and alcohol abuse education for school-aged children, including children who are unsupervised after school, and that may include school-sponsored sports, recreational, educational, or instructional activities (local educational agency may make grants or contracts with nonprofit community-based organizations that offer sports, recreation, education, or child care programs); and

[(16) other programs of drug and alcohol abuse education and prevention, consistent with the purposes of this part.

[(b) ELIGIBILITY.—A local or intermediate educational agency or consortium may receive funds under this part for any fiscal year covered by an application under section 5126 approved by the State educational agency.

[SEC. 5126. LOCAL APPLICATIONS.

[(a) IN GENERAL.—(1) In order to be eligible to receive a grant under this part for any fiscal year, a local or intermediate educational agency or consortium shall submit an application to the State educational agency for approval before the expiration of the 120-day period beginning on the date that the State educational agency notifies the local educational agency, intermediate educational agency, or consortium of the amount allocated to such agency or consortium under section 5124(a).

[(2) An application under this section shall be for a period not to exceed 3 fiscal years and may be amended annually as may be necessary to reflect changes without filing a new application. Such application shall—

[(A) set forth a comprehensive plan for programs to be carried out by the applicant under this part;

[(B) contain an estimate of the cost for the establishment and operation of such programs;

[(C) establish or designate a local or substate regional advisory council on drug abuse education and prevention composed of individuals who are parents, teachers, officers of State and local government, medical professionals, representatives of the law enforcement community, community-based organizations, and other groups with interest and expertise in the field of drug abuse education and prevention;

[(D) describe the extent of the current drug and alcohol problem in the schools of the applicant;

[(E) describe the manner in which the applicant will coordinate its efforts under this part with other programs in the community related to drug abuse education, prevention, treatment, and rehabilitation and with appropriate community-based organizations;

[(F) provides assurances that the applicant will coordinate its efforts with appropriate State and local drug and alcohol abuse, health, and law enforcement agencies, in order to effectively conduct drug and alcohol abuse education, intervention, and referral for treatment and rehabilitation for the student population;

[(G) provide assurances that the Federal funds made available under this part shall be used to supplement and, to the extent practical, to increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this part, and in no case supplant such funds;

[(H) provide assurances of compliance with the provisions of this part;

[(I) agree to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this part;

[(J) describe how the applicant will ensure that the schools will be an important part of a community-wide effort to achieve a drug-free population;

[(K) describe how, to the extent practicable, assistance provided under this title will be used to provide trained counselors, social workers, psychologists, and nurses to carry out drug abuse prevention and intervention activities in addition to any individuals so employed by the applicant on the date of the enactment of the Drug-Free Schools and Communities Act Amendments of 1989;

[(L) provide assurances that the applicant will maintain and make available for distribution a list of local resources for substance abuse counseling and treatment;

[(M) provide assurances that the applicant has reviewed curricula that it intends to use and that such curricula will meet the needs of the schools served by the applicant;

[(N) describe how, to the extent practicable, assistance provided under the grant will be used to provide drug abuse counseling services to children of all ages, including students in the elementary schools;

[(O) describe how, to the extent practicable, activities assisted under the grant will be coordinated with local law enforcement agencies in order to improve security on school grounds and in the surrounding community and to educate students about—

[(i) the dangers of drug use and drug-related violence;

[(ii) the penalties for possession of or trafficking in illegal drugs;

[(iii) techniques for resisting drug abuse; and

[(iv) the importance of cooperating with law enforcement officials in eliminating drug abuse and identifying individuals who supply drugs to students;

[(P) describe the training that will be provided for teachers and other personnel who are involved in the implementation of programs to be carried out by the applicant under this part; and

[(Q) include such other information and assurances as the State educational agency reasonably determines to be necessary.

[(b) Progress Reports.—(1) Each applicant shall annually submit to the State educational agency a progress report on the implementation of its plan. The progress report shall include—

[(A) the applicant's significant accomplishments under the plan during the preceding year;

[(B) the extent to which the original objectives of the plan are being achieved;

[(C) a discussion of the method used by the applicant to evaluate the effectiveness of its drug education program carried out under its plan; and

[(D) the results of the evaluation described in subparagraph (C).

[(2) If the State educational agency determines that the applicant's progress report shows that it is not making reasonable progress toward accomplishing the objectives of its plan and the purposes of this Act, the State educational agency shall provide such technical assistance to the applicant as may be necessary.

[SEC. 5127. REPORTS.

[(a) State Reports.—Each State shall submit to the Secretary a biennial report that contains information on the State and local programs conducted with assistance furnished under this title. Each such report shall—

[(1) be in a standard format;

[(2) request standard information as prescribed by the Secretary; and

[(3) include—

[(A) a description of the drug and alcohol problem in the elementary and secondary schools in the State as of the date of the report;

[(B) a description of the range of drug and alcohol policies in the schools in the State;

[(C) the number of individuals served by this title;

[(D) the demographic characteristics of populations served;

[(E) types of service provided and duration of the services;

[(F) information on how the State has targeted the populations listed under section 5122(b)(2);

[(G) a description of the model drug and alcohol abuse education and prevention programs in the State that have been demonstrated to be effective; and

[(H) an evaluation of the effectiveness of State and local drug and alcohol abuse education and prevention programs.

[(b) Local Reports.—Each State educational agency shall request the information required to prepare the biennial reports required by subsection (a) as part of the local educational agency application and progress reports required by section 5126. Information requested under the preceding sentence shall be limited to information described in section 5126 and subsection (a).

[PART C—TRAINING OF TEACHERS, COUNSELORS, AND SCHOOL PERSONNEL

[SEC. 5128. GRANTS FOR TRAINING OF TEACHERS.

[(a) In General.—From amounts appropriated pursuant to the authorization contained in section 5111(a)(2), the Secretary shall make grants to State educational agencies, local educational agencies, and institutions of higher education for teachers training programs in accordance with this section.

[(b) Use of Funds.—Amounts made available under grants under this section shall be used to establish, expand, or enhance programs and activities for the training of elementary and secondary school teachers and administrators, and other elementary and secondary school personnel concerning drug and alcohol abuse education and prevention.

[SEC. 5129. GRANTS FOR TRAINING OF COUNSELORS.

[(a) In General.—

[(1) From amounts appropriated pursuant to the authorization contained in section 5111(a)(2), the Secretary shall give priority to making a substantial number of grants to qualified State educational agencies, local educational agencies, and institutions of higher education for programs to train counselors, social workers, psychologists, or nurses in accordance with this section.

[(2) The Secretary may also make a grant under this part to any private nonprofit agency that has an agreement with a local educational agency to provide training in drug abuse counseling for individuals who will provide such counseling in the schools of such local educational agency.

[(b) Use of Funds.—Amounts made available under grants under this section shall be used to establish, expand, or enhance programs and activities for the training of counselors, social workers, psychologists, or nurses who are providing or will provide drug abuse prevention, counseling, or referral services in elementary and secondary schools.

[SEC. 5130. APPLICATIONS.

[(a) In General.—Any State or local educational agency, institution of higher education, or consortium of such agencies or institutions that desires to receive a grant under this part in any fiscal year submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

[(b) Contents.—Each application submitted under this section shall—

[(1) set forth the activities and programs to be carried out with funds paid under this part;

[(2) contain an estimate of the cost for the establishment and operation to such activities and programs;

[(3) provide assurances that the Federal funds made available under this section shall be used to supplement, and, to the extent practical, to increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purpose described in this part, and in no case to supplant such funds;

[(4) provide assurances of compliance with this part;

[(5) in the case of a grant under section 5129, contain a discussion of how the training to be assisted under the grant will assist the applicant to—

[(A) increase the number of school personnel who are trained to provide drug abuse counseling services; and

[(B) improve the quality of drug abuse counseling services offered by the applicant or the local educational agency concerned; and

[(6) include such other information and assurances as the Secretary reasonably determines to be necessary.

[PART D—NATIONAL PROGRAMS

[SEC. 5131. GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.

[(a) In General.—(1) From sums reserved by the Secretary under section 5112(a)(4) for the purposes of this section, the Secretary shall make grants to or enter into contracts with institutions of higher education or consortia of such institutions for drug abuse education and prevention programs under this section.

[(2) The Secretary shall make financial assistance available on a competitive basis under this section. An institution of higher education or consortium of such institutions which desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in accordance with regulations.

[(3) The Secretary shall make every effort to ensure the equitable participation of private and public institutions of higher education (including community and junior colleges) and to ensure the equitable geographic participation of such institutions. In the award of grants and contracts under this section, the Secretary shall give appropriate consideration to colleges and universities of limited enrollment.

[(4) Not less than 50 percent of sums available for the purposes of this section shall be used to make grants under subsection (c).

[(b) GRANTS FOR MODEL DEMONSTRATION PROGRAMS.—Grants shall be available for model demonstration programs to be coordinated with local elementary and secondary schools for the development and implementation of quality drug abuse education curricula. In the award of grants under this subsection, the Secretary shall give priority consideration to joint projects involving faculty of institutions of higher education and teachers in elementary and secondary schools in the practical application of the findings of educational research and evaluation and the integration of such research into drug abuse education and prevention programs.

[(c) GRANTS FOR PROGRAMS OF DRUG ABUSE EDUCATION AND PREVENTION.—Grants shall be available under this subsection to develop, implement, operate, and improve programs of drug abuse education and prevention (including rehabilitation referral) for students enrolled in institutions of higher education.

[SEC. 5132. FEDERAL ACTIVITIES.

[(a) USE OF RESERVED FUNDS.—From sums reserved by the Secretary under section 5112(a)(5), the Secretary shall carry out the purposes of this section.

[(b) FEDERAL DRUG ABUSE EDUCATION AND PREVENTION ACTIVITIES.—The Secretary of Education in conjunction with the Secretary of Health and Human Services shall carry out Federal education and prevention activities on drug abuse. The Secretary shall coordinate such drug abuse education and prevention activities with other appropriate Federal activities related to drug abuse. The Secretary shall directly or through grants, cooperative agreements, or contracts—

[(1) provide information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 509 of the Public Health Service Act;

[(2) facilitate the utilization of appropriate means of communicating to students at all educational levels about the dangers of drug use and alcohol abuse, especially involving the participation of entertainment personalities and athletes who are recognizable role models for many young people;

[(3) develop, publicize the availability of, and widely disseminate the most readily available, accurate, and up-to-date audiovisual and other curricular materials for drug abuse education and prevention programs in elementary and secondary schools throughout the Nation; and coordinate activities that complement media efforts of groups such as the Partnership for a Drug-Free America, professional and amateur sports organizations, and other public service organizations;

[(4) provide technical assistance to State, local, and intermediate education agencies and consortia in the selection and implementation of drug abuse education and prevention curricula, approaches, and programs to address most effectively the needs of the elementary and secondary schools served by such agencies;

[(5) identify research and development priorities with regard to school-based drug abuse education and prevention, particularly age-appropriate programs focusing on kindergarten through grade 4;

[(6) use private nonprofit organizations to develop innovative strategies to communicate antidrug abuse messages to youths and to eliminate drug abuse from the communities of the Nation; and

[(7) as necessary, evaluate programs assisted under this title.

[(c) STUDIES.—(1) The Secretary of Education in conjunction with the Secretary of Health and Human Services shall conduct, directly or by contract, a study of the relationship between drug and alcohol abuse and youth suicide and shall submit a report of the findings of such studies to the President and to the appropriate committees of the Congress not later than 1 year after the date of the enactment of this title.

[(2) The Secretary shall summarize and consolidate the biennial reports submitted under section 5127(a) and shall transmit such summary and consolidation, together with recommendations for future education and prevention efforts, to the Associate Director of the Office of National Drug Control Policy, and to the Congress.

[(3)(A) The Secretary, in consultation with the Secretary of Health and Human Services, shall conduct an independent evaluation, directly or by contract, of a representative sample of programs assisted under this title and shall identify successful projects which may be replicated by other local educational agencies throughout the country. The Secretary shall submit to the Congress—

[(i) an interim report containing the results of such evaluation and a description of such projects not later than October 1, 1991, and

[(ii) a final report containing such information not later than January 1, 1994.

[(B) The Secretary shall ensure that the information contained in the reports required by subparagraph (A) is submitted for dissemination to the National Diffusion Network and through the regional centers established under section 5135.

[SEC. 5133. PROGRAMS FOR INDIAN YOUTH.

[(a) USE OF RESERVED FUNDS.—From the funds reserved pursuant to section 5112(a)(2), the Secretary shall make payments and grants and enter into other financial arrangements for Indian programs in accordance with this subsection.

[(b) FINANCIAL ARRANGEMENTS.—The Secretary of Education shall enter into such financial arrangements as the Secretary determines will best carry out the purposes of this title to meet the needs of Indian children on reservations serviced by elementary and secondary schools funded for Indian children by the Department of the Interior. Such arrangements shall be made pursuant to an agreement between the Secretary of Education and the Secretary of the Interior containing such assurances and terms as they determine will best achieve the purposes of this title.

[(c) GRANT AND CONTRACT AUTHORITY.—The Secretary of Education may, upon request of any Indian tribe which is eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination Act or under the Act of April 16, 1934, enter into grants or contracts with any tribal organization of any such Indian tribe to plan, conduct, and administer programs which are authorized and consistent with the purposes of this title (particularly programs for Indian children who are school dropouts), except that such grants or contracts shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934, which are relevant to the programs administered under this paragraph.

[(d) ADDITIONAL PROGRAMS.—Programs funded under this subsection shall be in addition to such other programs, services, and activities as are made available to eligible Indians under other provisions of this title.

[SEC. 5134. PROGRAMS FOR HAWAIIAN NATIVES.

[(a) GENERAL AUTHORITY.—From the funds reserved pursuant to section 5112(a)(3), the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Hawaiian natives which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Hawaiian natives.

[(b) DEFINITION OF "HAWAIIAN NATIVE".—For the purposes of this section, the term "Hawaiian native" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

[SEC. 5135. REGIONAL CENTERS.

[The Secretary, through grants, cooperative agreements, or contracts, shall use the amounts made available to carry out this section for each fiscal year to maintain 5 regional centers to—

[(1) train school teams to assess the scope and nature of their drug abuse and alcohol abuse problems, mobilize the community to address such problems, design appropriate curricula, identify students at highest risk and refer them to appropriate treatment, and institutionalize long-term effective drug and alcohol abuse programs, including long-range technical assistance, evaluation, and followup on such training;

[(2) assist State educational agencies in coordinating and strengthening drug abuse and alcohol abuse education and prevention programs;

[(3) assist local educational agencies and institutions of higher education in developing appropriate preservice and inservice training programs for educational personnel; and

[(4) evaluate and disseminate information on effective drug abuse and alcohol abuse education and prevention programs and strategies.

[SEC. 5136. EMERGENCY GRANTS.

[(a) PROGRAM AUTHORIZED.—Except as provided under subsection (d), the Secretary, in consultation with the Attorney General and the Secretary of Health and Human Services, shall make grants to eligible local educational agencies that demonstrate significant need for additional assistance for purposes of combating drug and alcohol abuse by students served by such agencies.

[(b) ELIGIBLE AGENCIES.—A local educational agency shall be eligible to receive a grant under this section if such agency—

[(1) receives assistance under section 1006 or meets the criteria of clauses (i) and (ii) of section 1006(a)(1)(A); and

[(2) serves an area—

[(A) in which there is a large number or a high percentage of—

[(i) arrests for, or while under the influence of, drugs or alcohol; or [(ii) convictions of youths for drug or alcohol-related crimes;

[(B) in which there is a large number or high percentage of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs; and

[(C) that has a significant drug and alcohol abuse problem, as indicated by other appropriate data.

[(c) AMOUNT OF GRANTS.—Each grant awarded under this section shall be in an amount that is not less than $100,000 and not more than $1,000,000.

[(d) FISCAL YEAR 1990.—For fiscal year 1990, funds available for the purposes of this section shall be allocated to the chief executive officer of each State for distribution through State educational agencies to local educational agencies.

[SEC. 5137. DRUG-FREE SCHOOL ZONES DEMONSTRATION PROGRAM.

[(a) ESTABLISHMENT OF DEMONSTRATION PROGRAM FOR DRUG-FREE SCHOOL ZONES.—The Secretary of Education is authorized to establish a demonstration program to establish and maintain drug-free school zones as described in section 5122(a)(8). In carrying out the demonstration program under this section, the Secretary shall make grants to local educational agencies, intermediate educational agencies, and consortia.

[(b) EVALUATIONS.—The Secretary shall evaluate programs under this section.

[(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 to carry out the purposes of this section. Funds appropriated under this section are authorized to remain available until expended.

[PART E—GENERAL PROVISIONS

[SEC. 5141. DEFINITIONS.

[(a) GENERAL RULE.—Except as otherwise provided, the terms used in this title shall have the meaning provided under section 1471 of title 1 of this Act.

[(b) SPECIFIC DEFINITIONS.—For the purposes of this title, the following terms have the following meanings:

[(1) The term "drug abuse education and prevention" means prevention, early intervention, rehabilitation referral, and education related to the abuse of alcohol and the use and abuse of controlled, illegal, addictive, or harmful substances, including anabolic steroids.

[(2) The term "illicit drug use" means the use of illegal drugs and the abuse of other drugs and alcohol, including anabolic steroids.

[(3) The term "Secretary" means the Secretary of Education.

[(4) The term "school-age population" means the population aged 5 through 17 (inclusive), as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

[(5) The term "school dropout" means an individual aged 5 through 18 who is not attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma. This definition shall not apply after the Secretary defines such term as required by section 6201 of this Act.

[(6) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands.

[(7) The term "institution of higher education" means an educational institution in any State which—

[(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

[(B) is legally authorized within such State to provide a program of education beyond high school;

[(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a 2-year program which is acceptable for full credit toward such a degree, or offers a 2-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

[(D) is a public or other nonprofit institution; and

[(E) is accredited by a nationally recognized accrediting agency or association listed by the Secretary pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than 3 institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited, except that in the case of an institution offering a 2-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which requires the understanding and application of basic engineering, scientific, or mathematical principles or knowledge if the Secretary determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, the Secretary shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this title and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

[(8) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

[(9) The term "consortium" (except in section 5131) means a consortium of local educational agencies or of one or more intermediate educational agencies and one or more local educational agencies.

[(10) The term "school personnel" includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

[SEC. 5142. FUNCTIONS OF THE SECRETARY OF EDUCATION.

[(a) Administration.—The Secretary shall be responsible for the administration of the programs authorized by this title.

[(b) Model Criteria and Forms.—The Secretary, in consultation with a representative sample of national educational organizations, shall develop model criteria and forms for the collection of data and information with respect to programs assisted under this title. In order to enable schools and community-based organizations to share uniform data and information with respect to programs assisted under this title, the model criteria and forms shall be disseminated to the regional centers established under section 5135 as a resource for State and local educational programs.

[(c) Applicability of General Education Provisions Act.—Except as otherwise provided, the General Education Provisions Act shall apply to programs authorized by this title. 5143

[SEC. 5143. PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE NONPROFIT SCHOOLS.

[(a) Participation of Private School Children.—To the extent consistent with the number of school-age children in the State or in the school attendance area of a local or intermediate educational agency or consortium receiving financial assistance under part B who are enrolled in private nonprofit elementary and secondary schools, such State, agency, or consortium shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this title.

[(b) Participation of Private School Teachers.—To the extent consistent with the number of school-age children in the State or in the school attendance area of a local or intermediate educational agency or consortium receiving financial assistance under part B who are enrolled in private nonprofit elementary and secondary schools, such State, agency, or consortium shall, after consultation with appropriate private school representatives, make provision, for the benefit of such teachers in such schools, for such teacher training as will assure equitable participation of such teachers in the purposes and benefits of this title.

[(c) Provision of Services by Secretary and State Educational Agencies.—(1) If by reason of any provision of law a State, local, or intermediate educational agency or consortium is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by subsections (a) and (b) or, if the Secretary determines that a State, local, or intermediate educational agency or consortium has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers which shall be subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of this Act.

[(2) If a State educational agency determines that a local educational agency, intermediate educational agency, or consortium, as appropriate, is failing to provide for the equitable participation of children or teachers from private nonprofit elementary or secondary schools in accordance with subsection (a) or (b), the State educational agency shall waive the requirements of such subsection with respect to such local educational agency, intermediate educational agency, or consortium and make appropriate arrangements for the equitable participation of such children or teachers.

[SEC. 5144. MATERIALS.

[Any materials produced or distributed with funds made available under this title shall reflect the message that illicit drug use is wrong and harmful. The Secretary shall not review curricula and shall not promulgate regulations to carry out this subsection or subparagraph (1) or (4) of section 5125(a).

[SEC. 5145. CERTIFICATION OF DRUG AND ALCOHOL ABUSE PREVENTION PROGRAMS.

[(a) IN GENERAL.—Notwithstanding any other provision of law other than section 432 of the General Education Provisions Act and section 103(b) of the Department of Education Organization Act, no local educational agency shall be eligible to receive funds or any other form of financial assistance under any Federal program unless it certifies to the State educational agency that it has adopted and has implemented a program to prevent the use of illicit drugs and alcohol by students or employees that, at a minimum, includes—

[(1) age-appropriate, developmentally based drug and alcohol education and prevention programs (which address the legal, social, and health consequences of drug and alcohol use and which provide information about effective techniques for resisting peer pressure to use illicit drugs or alcohol) for students in all grades of the schools operated or served by the applicant, from early childhood level through grade 12;

[(2) conveying to students that the use of illicit drugs and the unlawful possession and use of alcohol is wrong and harmful;

[(3) standards of conduct that are applicable to students and employees in all the applicant's schools and that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on school premises or as part of any of its activities;

[(4) a clear statement that sanctions (consistent with local, State, and Federal law), up to and including expulsion or termination of employment and referral for prosecution, will be imposed on students and employees who violate the standards of conduct required by paragraph (3) and a description of those sanctions;

[(5) information about any available drug and alcohol counseling and rehabilitation and re-entry programs that are available to students and employees;

[(6) a requirement that parents, students, and employees be given a copy of the standards of conduct required by paragraph (3) and the statement of sanctions required by paragraph (4);

[(7) notifying parents, students, and employees that compliance with the standards of conduct required by paragraph (3) is mandatory; and

[(8) a biennial review by the applicant of its program to—

[(A) determine its effectiveness and implement changes to the program if they are needed; and

[(B) ensure that the sanctions required by paragraph (4) are consistently enforced.

[(b) DISSEMINATION OF INFORMATION.—Each local educational agency that provides the certification required by subsection (a) shall, upon request, make available to the Secretary, the State educational agency, and to the public full information about the elements of its program required by subsection (a), including the results of its biennial review.

[(c) CERTIFICATION TO SECRETARY.—Each State educational agency shall certify to the Secretary that it has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by its students and employees that is consistent with the program required by subsection (a) of this section. The State educational agency shall, upon request, make available to the Secretary and to the public full information about the elements of its program.

[(d) REGULATIONS.—(1) The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

[(A) the periodic review by State educational agencies of a representative sample of programs required by subsection (a); and

[(B) a range of responses and sanctions for local educational agencies that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance.

[(2) The sanctions required by subsection (a)(1)(4) may include the completion of an appropriate rehabilitation program.

[(e) Upon a determination by the Secretary to terminate financial assistance to any local educational agency under this section, the agency may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such agency is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the agency concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action.

[SEC. 5146. DISSEMINATION OF INFORMATION AND TECHNICAL ASSISTANCE.

[(a) DISSEMINATION OF INFORMATION AND TECHNICAL ASSISTANCE.—The Secretary, through the National Diffusion Network established under section 1562, shall disseminate information and technical assistance with respect to drug abuse education and prevention programs of demonstrated effectiveness.

[(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $500,000 for fiscal year 1991.

[PART F—DEVELOPMENT OF EARLY CHILDHOOD EDUCATION DRUG ABUSE PREVENTION MATERIALS

[SEC. 5151. PROGRAM AUTHORIZED.

[(a) GENERAL AUTHORITY.—The Secretary shall, in consultation with the Secretary of Health and Human Services, provide for the development of age-appropriate drug abuse education and prevention curricula, programs, and training materials for use in early child development programs, and provide for the dissemination of such materials to early child development programs, including Head Start programs, preschool programs funded under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, programs funded under the Education of the Handicapped Act, such other preschool programs as the Secretary deems appropriate, and to parents of children participating in such programs.

[(b) RESERVATION.—The Secretary shall, from amounts reserved under section 5112(a)(5), reserve not less than $1,000,000 to carry out the development and dissemination of the materials required by this part.

[PART G—MISCELLANEOUS PROVISIONS

[SEC. 5191. INDIAN EDUCATION PROGRAMS.

[(a) PILOT PROGRAMS.—The Assistant Secretary of Indian Affairs shall develop and implement pilot programs in selected schools funded by the Bureau of Indian Affairs (subject to the approval of the local school board or contract school board) to determine the effectiveness of summer youth programs in furthering the purposes and goals of the Indian Alcohol and Substance Abuse Prevention Act of 1986. The Assistant Secretary shall defray all costs associated with the actual operation and support of the pilot programs in the school from funds appropriated for this section. For the pilot programs there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1987, 1988, and 1989.

[(b) USE OF FUNDS.—Federal financial assistance made available to public or private schools because of the enrollment of Indian children pursuant to—

[(1) the Act of April 16, 1934, as amended by the Indian Education Assistance Act (25 U.S.C. 452 et seq.),

[(2) the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 241aa et seq.), and

[(3) the Indian Education Act ,
may be used to support a program of instruction relating to alcohol and substance abuse prevention and treatment.

[SEC. 5192. TRANSITION.

[Notwithstanding section 1003 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, a State educational agency may allot funds for each of the fiscal years 1987 and 1988 to local and intermediate educational agencies and consortia under section 4124 of the Drug-Free Schools and Communities Act of 1986 on the basis of their relative numbers of children in the school-age population.

[SEC. 5193. IDENTIFICATION OF FEDERALLY ASSISTED PROGRAMS.

[Every local recipient of funds under this title shall, in any publication or public announcement, clearly identify any program assisted under this title as a Federal program funded under the Drug-Free Schools and Communities Act of 1986.

[TITLE VI—PROJECTS AND PROGRAMS DESIGNED TO ADDRESS SCHOOL DROPOUT PROBLEMS AND TO STRENGTHEN BASIC SKILLS INSTRUCTION

[PART A—ASSISTANCE TO ADDRESS SCHOOL DROPOUT PROBLEMS

[SEC. 6001. SHORT TITLE.

[This part may be cited as the "School Dropout Demonstration Assistance Act of 1988".

[SEC. 6002. PURPOSE.

[The purpose of this part is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish and demonstrate—

[(1) effective programs to identify potential student dropouts and prevent them from dropping out;

[(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

[(3) effective early intervention programs designed to identify at-risk students in elementary and secondary schools; and

[(4) model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

[SEC. 6003. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated for the purposes of this part $50,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993.

[(b) No amounts are authorized to be appropriated under subsection (a) for any fisal year in which assistance is made available to local educational agencies under part C of chapter 1 of title I.

[SEC. 6004. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) ALLOTMENT TO CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the amount appropriated under section 6003 for any fiscal year, the Secretary shall first reserve not more than $2,000,000 for the purposes of evaluating programs carried out with assistance under this part. From the remaining amount, the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

[(1) Local educational agencies administering schools with a total enrollment of 100,000 or more elementary and secondary school students shall be allotted 25 percent of such remaining amount.

[(2) Local educational agencies administering schools with a total enrollment of at least 20,000 but less than 100,000 elementary and secondary school students shall be allotted 40 percent of such remaining amount.

[(3) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of such remaining amount. Grants may be made under this paragraph to intermediate educational units and consortia of not more than 5 local educational agencies in any case in which the total enrollment of the largest such local educational agency is less than 20,000 elementary and secondary students. Such units and consortia may also apply in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

[(4) Community-based organizations shall be allotted 5 percent of such remaining amount. Grants under this category shall be made after consultation between the community-based organization and the local educational agency that is to benefit from such a grant.

[(b) SPECIAL TREATMENT OF EDUCATIONAL PARTNERSHIPS.—(1) The Secretary shall allot not less than 25 percent and not more than 50 percent of the funds available for each category described in paragraphs (1), (2), and (3) of subsection (a) of this section to educational partnerships.

[(2) Educational partnerships under this subsection shall include—

[(A) a local educational agency; and

[(B) a business concern or business organization, or, if an appropriate business concern or business organization is not available, one of the following: any community-based organization, nonprofit private organization, institution of higher education, State educational agency, State or local public agency, private industry council (established under the Job Training

Partnership Act), museum, library, or educational television or broadcasting station.

[(c) AWARD OF GRANT.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies and educational partnerships whose applications have been approved by the Secretary for such fiscal year under section 6005 and whose applications propose a program of sufficient size and scope to be of value as a demonstration. Any local educational agency, educational partnership, or community-based organization that has received a grant under this Act shall be eligible for additional funds subject to the requirements under this Act. The grants shall be made under such terms and conditions as the Secretary shall prescribe consistent with the provisions of this part.

[(d) USE OF FUNDS WHEN NOT FULLY NEEDED FOR EDUCATIONAL PARTNERSHIPS.—(1) Whenever the Secretary determines that the full amount of the sums made available under subsection (b) in each category for educational partnerships will not be required for applications of educational partnerships, the Secretary shall make the amount not so required available to local educational agencies in the same category in which the funds are made available.

[(2) In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund educational partnerships and shall prepare a list of the categories in which additional funds are available, and the reasons therefor, and make such list available to local educational agencies upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

[(e) USE OF FUNDS WHEN NOT FULLY ALLOTTED TO CATEGORIES UNDER SUBSECTION (a).—(1) Whenever the Secretary determines that the full amount of the sums allotted under any category set forth under subsection (a) will not be required for applications of the local educational agencies in the case of categories (1) through (3), the Secretary shall make the amount not so required available to another category under subsection (a). In carrying out the provisions of this subsection, the Secretary shall assure that the transfer of amounts from one category to another is made to a category in which there is the greatest need for funds.

[(2) In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund projects in particular categories and shall prepare a list of the categories in which funds were not fully expended and the reasons therefor, and make such list available to local educational agencies and educational partnerships, upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

[(f) FEDERAL SHARE.—(1) The Federal share of a grant under this part may not exceed—

[(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this part, and

[(B) 75 percent of such cost in each succeeding fiscal year.

[(2) The remaining cost of a project that receives assistance under this part may be paid from any source other than funds made available under this part, except that not more than 10 percent of the remaining cost in any fiscal year may be provided from Federal sources other than this part.

[(3) The share of payments from sources other than funds made available under this part may be in cash or in kind fairly evaluated, including plant, equipment or services.

[SEC. 6005. APPLICATION.

[(a) IN GENERAL.—(1) A grant under this part may be made only to a local educational agency or an educational partnership which submits an application to the Secretary containing such information as may be required by the Secretary by regulation.

[(2) Applications shall be for a 1-year period.

[(b) CONTENTS OF APPLICATION.—Each such application shall—

[(1) provide documentation of—

[(A) the number of children who were enrolled in the schools of the applicant for the 5 academic years prior to the date application is made who have not completed their elementary or secondary education and who are classified as school dropouts pursuant to section 5141(b)(5); and

[(B) the percentage that such number of children is of the total school-age population in the applicant's schools;

[(2) include a plan for the development and implementation of a dropout information collection and reporting system for documenting the extent and nature of the dropout problem;

[(3) include a plan for coordinated activities involving at least 1 high school and its feeder junior high or middle schools and elementary schools for local educational agencies that have feeder systems;

[(4) include a plan for the development and implementation of a project including activities designed to carry out the purpose of this part, such as—

[(A) implementing identification, prevention, outreach, or reentry projects for dropouts and potential dropouts;

[(B) addressing the special needs of school-age parents;

[(C) disseminating information to students, parents, and the community related to the dropout problem;

[(D) as appropriate, including coordinated services and activities with programs of vocational education, adult basic education, and programs under the Job Training Partnership Act;

[(E) involving the use of educational and telecommunications and broadcasting technologies and educational materials for dropout prevention, outreach, and reentry;

[(F) providing activities which focus on developing occupational competencies which link job skill preparation and training with genuine job opportunities;

[(G) establishing annual procedures for—

[(i) evaluating the effectiveness of the project; and

[(ii) where possible, determining the cost-effectiveness of the particular dropout prevention and reentry methods used and the potential for reproducing such methods in other areas of the country;

[(H) coordinating, to the extent practicable, with other student dropout activities in the community; or

[(I) using the resources of the community and parents to help develop and implement solutions to the local dropout problem; and

[(5) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed project, and the capability of the applicant to carry out the project.

[(c) PRIORITY.—The Secretary shall, in approving applications under this section, give priority to applications which both show the replication of successful programs conducted in other local educational agencies or the expansion of successful programs within a local educational agency and reflect very high numbers or very high percentages of school dropouts in the schools of the applicant in each category described in section 6004(a).

[(d) SPECIAL CONSIDERATION.—The Secretary shall give additional special consideration to applications that include—

[(1) provisions which emphasize early intervention services designed to identify at-risk students in elementary or early secondary schools; and

[(2) provisions for significant parental involvement.

[(e) GRANTS FOR NEW GRANTEES.—In awarding grants under this part in fiscal year 1992 and each fiscal year thereafter to applicants who did not receive a grant under this part in fiscal year 1991, the Secretary shall utilize only those priorities and special considerations described in subsections (c) and (d).

[SEC. 6006. AUTHORIZED ACTIVITIES.

[(a) IN GENERAL.—Grants under this part shall be used to carry out plans set forth in applications approved under section 6005. In addition, grants may be used for educational, occupational, and basic skills testing services and activities, including, but not limited to—

[(1) the establishment of systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

[(2) the development and implementation of activities, including extended day or summer programs, designed to address poor achievement, basic skills deficiencies, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school;

[(3) the establishment or expansion of work-study, apprentice, or internship programs;

[(4) the use of resources of the community, including contracting with public or private entities or community-based organizations of demonstrated performance, to provide services to the grant recipient or the target population;

[(5) the evaluation and revision of program placement of students at risk;

[(6) the evaluation of program effectiveness of dropout programs;

[(7) the development and implementation of programs for traditionally underserved groups of students;

[(8) the implementation of activities which will improve student motivation and the school learning environment;

[(9) the provision of training for school staff on strategies and techniques designed to—

[(A) identify children at risk of dropping out;

[(B) intervene in the instructional program with support and remedial services;

[(C) develop realistic expectations for student performance; and

[(D) improve student-staff interactions;

[(10) the study of the relationship between drugs and dropouts and between youth gangs and dropouts, and the coordination of dropout prevention and reentry programs with appropriate drug prevention and community organizations for the prevention of youth gangs;

[(11) the study of the relationship between handicapping conditions and student dropouts;

[(12) the study of the relationship between the dropout rate for gifted and talented students compared to the dropout rate for the general student enrollment;

[(13) the use of educational telecommunications and broadcasting technologies and educational materials designed to extend, motivate, and reinforce school, community, and home dropout prevention and reentry activities; and

[(14) the provision of other educational, occupational and testing services and activities which directly relate to the purpose of this part.

[(b) Activities for Educational Partnerships.—Grants under this part may be used by educational partnerships for—

[(1) activities which offer jobs and college admissions for successful completion of the program for which assistance is sought;

[(2) internship, work study, or apprenticeship programs;

[(3) summer employment programs;

[(4) occupational training programs;

[(5) career opportunity and skills counseling;

[(6) job placement services;

[(7) the development of skill employment competency testing programs;

[(8) special school staff training projects;

[(9) mentoring programs; and

[(10) any other activity described in subsection (a).

[SEC. 6007. DISTRIBUTION OF ASSISTANCE; LIMITATION ON COSTS.

[(a) Distribution of Assistance.—The Secretary shall ensure that, to the extent practicable, in approving grant applications under this part—

[(1) grants are equitably distributed on a geographic basis within each category set forth in section 6004(a);

[(2) the amount of a grant to a local educational agency for a fiscal year is proportionate to the extent and severity of the local school dropout problem;

[(3) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to school dropout prevention; and

[(4) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to persuading school dropouts to return to school and assisting former school dropouts with specialized services once they return to school.

[(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of any grant made under this part may be used for administrative costs.

[SEC. 6008. REPORTS.

[(a) ANNUAL REPORTS.—The Secretary shall submit to the Congress a report by January 1 of each year, beginning on January 1, 1993, which sets forth the progress of the Commissioner of Education Statistics, established under section 406(a) of the General Education Provisions Act, to implement a definition and data collection process for school dropouts in elementary and secondary schools, including statistical information for the number and percentage of elementary and secondary school students by race and ethnic origin who drop out of school each year including dropouts—

[(1) throughout the Nation by rural and urban location as defined by the Secretary; and

[(2) in each of the individual States and the District of Columbia.

[(b) RECOMMENDATIONS.—The report under subsection (a) shall also contain recommendations on ways in which the Federal Government, States and localities can further support the implementation of an effective methodology to accurately measure dropout and retention rates on the national, State, and local levels.

[PART B—ASSISTANCE TO PROVIDE BASIC SKILLS IMPROVEMENT

[SEC. 6101. SHORT TITLE.

[This part may be cited as the "Secondary Schools Basic Skills Demonstration Assistance Act of 1988".

[SEC. 6102. PURPOSE.

[It is the purpose of this part to provide assistance to local educational agencies with high concentrations of children from low-income families to improve the achievement of educationally disadvantaged children enrolled in the secondary schools of such agencies.

[SEC. 6103. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part $200,000,000 for each of the fiscal years 1991 and 1992.

[SEC. 6104. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

[(a) GENERAL AUTHORITY.—From the amount appropriated under section 6103 for any fiscal year the Secretary shall make grants to local educational agencies in accordance with the provisions of this part.

[(b) COMMUNITY-BASED ORGANIZATIONS RULE.—Each local educational agency may carry out the activities described in section 6105 in cooperation with community-based organizations.

[(c) ELIGIBLE STUDENTS.—Secondary school students who meet the requirements of part A of chapter 1 of title I of this Act other than the requirement of attendance in the designated school attendance area shall be eligible to participate in programs and activities assisted under this part.

[SEC. 6105. AUTHORIZED ACTIVITIES.

[(a) IN GENERAL.—Funds made available under this part may be used—

[(1) to initiate or expand programs designed to meet the special educational needs of secondary school students and to help such students attain grade level proficiency in basic skills, and, as appropriate, learn more advanced skills;

[(2) to develop innovative approaches—

[(A) for surmounting barriers that make secondary school programs under this part difficult for certain students to attend and difficult for secondary schools to administer, such as scheduling problems; and

[(B) for courses leading to successful completion of the general educational development test or of graduation requirements;

[(3) to develop and implement innovative programs involving community-based organizations or the private sector, or both, to provide motivational activities, pre-employment training, or transition-to-work activities;

[(4) to provide programs for eligible students outside the school, with the goal of reaching school dropouts who will not reenter the traditional school, for the purpose of providing compensatory education, basic skills education, or courses for general educational development;

[(5) to use the resources of the community to assist in providing services to the target population;

[(6) to provide training for staff who will work with the target population on strategies and techniques for identifying, instructing, and assisting such students;

[(7) to provide guidance and counseling activities, support services, exploration of postsecondary educational opportunities, youth employment activities, and other pupil services which are necessary to assist eligible students; or

[(8) to recruit, train, and supervise secondary school students (including the provision of stipends to students in greatest need of financial assistance) to serve as tutors of other students eligible for services under this part and under part A of chapter 1 of title I of this Act, in order to assist such eligible students with homework assignments, provide instructional activities, and foster good study habits and improved achievement.

[(b) LIMITATION.—Not more than 25 percent of amounts available to a local educational agency under this part may be used by such agency for noninstructional services such as those described in subsections (a)(3), (a)(5), and (a)(7).

[SEC. 6106. APPLICATION.

[(a) IN GENERAL.—(1) A grant under this part may be made only to a local educational agency which submits an application to the Secretary containing or accompanied by such information as the Secretary may reasonably require.

[(2) Applications shall be for a 1-year period.

[(b) CONTENTS OF APPLICATION.—Each such application shall include—

[(1) a description of the program goals and the manner in which funds will be used to initiate or expand services to secondary school students;

[(2) a description of the activities and services which will be provided by the program (including documentation to demonstrate that the local educational agency has the qualified personnel needed to develop, administer, and implement the program under this part);

[(3) a list of the secondary schools within the local educational agency in which programs will be conducted and a description of the needs of the schools, in terms of achievement levels of students and poverty rates;

[(4) an assurance that programs will be operated in secondary schools with the greatest need for assistance, in terms of achievement levels and poverty rates;

[(5) an assurance that parents of eligible students will be involved in the development and implementation of programs under this part;

[(6) a statement of the methods which will be used—

[(A) to ensure that the programs will serve eligible students most in need of the activities and services provided by this part; and

[(B) an assurance that services will be provided under this part to special populations, such as individuals with limited English proficiency and individuals with handicaps;

[(7) an assurance that the program will be of sufficient size, scope, and quality to offer reasonable promise of success;

[(8) a description of the manner in which the agency will provide for equitable participation of private school students as provided under section 1017 of this Act;

[(9) a description of the methods by which the applicant will coordinate programs under this part with programs for the eligible student population operated by community-based organizations, social service organizations and agencies, private sector entities, and other agencies, organizations, and institutions, and with programs conducted under the Carl D. Perkins Vocational Education Act, the Job Training Partnership Act, and other relevant Acts; and

[(10) such other information as the Secretary may require to determine the nature and quality of the proposed project and the applicant's ability to carry out the project.

[(c) APPROVAL OF APPLICATIONS.—(1) The Secretary shall, in approving applications under this section, give special consideration to programs that—

[(A) demonstrate the greatest need for services assisted under this part based on their numbers or proportions of secondary school children from low-income families and numbers or proportions of low-achieving secondary school children; and

[(B) offer innovative approaches to improving achievement among eligible secondary school children and offer approaches which show promise for replication and dissemination.

[(2) The Secretary shall ensure that programs for which applications are approved under this section are representative of urban and rural regions in the United States.

[(d) ADMINISTRATIVE COSTS.—Not more than 5 percent of any grant under this part may be used for administrative costs.

[PART C—GENERAL PROVISIONS

[SEC. 6201. GENERAL PROVISIONS.

[(a) DEFINITION OF SCHOOL DROPOUT.—The Secretary shall, not later than 60 days after the date of the enactment of this title, establish a standard definition of a school dropout, after consultation with pertinent organizations and groups. If the Secretary has defined the term "school dropout" for fiscal year 1988 that definition shall apply for the purposes of this section.

[(b) TIMELY AWARD OF GRANTS.—To the extent possible, for any fiscal year the Secretary shall award grants to local educational agencies and educational partnerships under this part not later than June 30 preceding such fiscal year.

[(c) GRANTS MUST SUPPLEMENT OTHER FUNDS.—A local educational agency receiving Federal funds under this title shall use such Federal funds only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources or under provisions of Federal law other than this title for activities described in part A or part B of this title, as the case may be.

[(d) EVALUATION.—The Secretary shall evaluate programs operated with funds received under this title, and shall issue a report not later than the expiration of the 6-month period following the end of the grant period.

[(e) COORDINATION AND DISSEMINATION.—The Secretary shall require local educational agencies receiving grants under this title to cooperate with the coordination and dissemination efforts of the National Diffusion Network and State educational agencies.

[(f) AUDIT.—The Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of any local educational agency or educational partnership receiving assistance under this title that are pertinent to the sums received and disbursed under this title.

[(g) WITHHOLDING PAYMENTS.—Whenever the Secretary, after reasonable notice and opportunity for a hearing to any local educational agency or educational partnership, finds that the local educational agency or educational partnership has failed to comply substantially with the provisions set forth in its application approved under section 6105 or section 6106, the Secretary shall withhold payments under this title in accordance with section 453 of the General Education Provisions Act until the Secretary is satisfied that there is no longer any failure to comply.

[SEC. 6202. DEFINITIONS.

[(a) As used in this title—

[(1) The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which has a proven record of providing effective educational or related services to individuals in the community.

[(2) The term "basic skills" includes reading, writing, mathematics, and computational proficiency as well as comprehension and reasoning.

[TITLE VII—BILINGUAL EDUCATION PROGRAMS

[SEC. 7001. SHORT TITLE.

[This title may be cited as the "Bilingual Education Act".

[SEC. 7002. POLICY; APPROPRIATIONS.

[(a) POLICY.—Recognizing—

[(1) that there are large and growing numbers of children of limited English proficiency;

[(2) that many of such children have a cultural heritage which differs from that of English proficient persons;

[(3) that the Federal Government has a special and continuing obligation to assist in providing equal educational opportunity to limited English proficient children;

[(4) that, regardless of the method of instruction, programs which serve limited English proficient students have the equally important goals of developing academic achievement and English proficiency;

[(5) that the Federal Government has a special and continuing obligation to assist language minority students to acquire the English language proficiency that will enable them to become full and productive members of society;

[(6) that the instructional use and development of a child's non-English native language promotes student self-esteem, subject matter achievement, and English-language acquisition;

[(7) that a primary means by which a child learns is through the use of such child's native language and cultural heritage;

[(8) that, therefore, large numbers of children of limited English proficiency have educational needs which can be met by the use of bilingual educational methods and techniques;

[(9) that in some school districts establishment of bilingual education programs may be administratively impractical due to the presence of small numbers of students of a particular native language or because personnel who are qualified to provide bilingual instructional services are unavailable;

[(10) that States and local school districts should be encouraged to determine appropriate curricula for limited English proficient students within their jurisdictions and to develop and implement appropriate instructional programs;

[(11) that children of limited English proficiency have a high dropout rate and low median years of education;

[(12) that the segregation of many groups of limited English proficient students remains a serious problem;

[(13) that reliance on student evaluation procedures which are inappropriate for limited English proficient students have resulted in the disproportionate representation of limited English proficient students in special education, gifted and talented, and other special programs;

[(14) that there is a serious shortage of teachers and educational personnel who are professionally trained and qualified to serve children of limited English proficiency;

[(15) that many schools fail to meet the full instructional needs of limited English proficient students who also may be handicapped or gifted and talented;

[(16) that both limited English proficient children and children whose primary language is English can benefit from bilingual education programs, and that such programs help develop our national linguistic resources and promote our international competitiveness;

[(17) that research, evaluation, and data collection capabilities in the field of bilingual education need to be strengthened so as to better identify and promote those programs and instructional practices which result in effective education;

[(18) that parent and community participation in bilingual education programs contributes to program effectiveness; and

[(19) that because of limited English proficiency, many adults are not able to participate fully in national life, and that limited English proficient parents are often not able to participate effectively in their children's education,

the Congress declares it to be the policy of the United States, in order to establish equal educational opportunity for all children and to promote educational excellence (A) to encourage the establishment and operation, where appropriate, of educational programs using bilingual educational practices, techniques, and methods, (B) to encourage the establishment of special alternative instructional programs for students of limited English proficiency in school districts where the establishment of bilingual education programs is not practicable or for other appropriate reasons, and (C) for those purposes, to provide financial assistance to local educational agencies, and, for certain related purposes, to State educational agencies, institutions of higher education, and community organizations. The programs assisted under this title include programs in elementary and secondary schools as well as related preschool and adult programs which are designed to meet the educational needs of individuals of limited English proficiency, with particular attention to children having the greatest need for such programs. Such programs shall be designed to enable students to achieve full competence in English and to meet school grade-promotion and graduation requirements. Such programs may additionally provide for the development of student competence in a second language.

[(b) AUTHORIZATION.—(1) For the purpose of carrying out the provisions of this title, there are authorized to be appropriated, subject to paragraph (6), $200,000,000 for the fiscal year 1989 and such sums as may be necessary for the fiscal year 1990 and for each succeeding fiscal year ending prior to October 1, 1993.

[(2) There are further authorized to be appropriated to carry out the provisions of section 7032, subject to paragraph (6), such sums as may be necessary for the fiscal year 1989 and each of the 4 succeeding fiscal years.

[(3) From the sums appropriated under paragraph (1) for part A for any fiscal year, the Secretary may reserve not to exceed 25 percent for special alternative instructional programs and related activities authorized under section 7021(a)(3) and may include programs under paragraphs (2), (4), (5), and (6) of section 7021(a).

[(4) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve at least 60 percent for the programs carried out under part A of this title; and of this amount, at least 75 percent shall be reserved for the programs of transitional bilingual education carried out under section 7021(a)(1), and may include programs under paragraphs (2), (4), (5), and (6) of section 7021(a).

[(5) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve at least 25 percent for training activities carried out under part C.

[(6) Notwithstanding paragraphs (1) and (2), no amount in excess of $200,000,000 may be appropriated for the fiscal year 1989 to carry out the provisions of this title (including section 7032).

[(7) The reservation required by paragraph (3) shall not result in changing the terms, conditions, or negotiated levels of any grant awarded in fiscal year 1987 to which section 7021(d)(1)(A), 7021(d)(1)(C), or 7021(d)(2) applies.

[SEC. 7003. DEFINITIONS; REGULATIONS.

[(a) GENERAL RULE.—The following definitions shall apply to the terms used in this title:

[(1) The terms "limited English proficiency" and "limited English proficient" when used with reference to individuals means—

[(A) individuals who were not born in the United States or whose native language is a language other than English;

[(B) individuals who come from environments where a language other than English is dominant; and

[(C) individuals who are American Indian and Alaska Natives and who come from environments where a language other than English has had a significant impact on their level of English language proficiency;

and who, by reason thereof, have sufficient difficulty speaking, reading, writing, or understanding the English language to deny such individuals the opportunity to learn successfully in classrooms where the language of instruction is English or to participate fully in our society.

[(2) The term "native language", when used with reference to an individual of limited English proficiency, means the language normally used by such individuals, or in the case of a child, the language normally used by the parents of the child.

[(3) The term "low-income" when used with respect to a family means an annual income for such a family which does not exceed the poverty level determined pursuant to section 1005(c)(2) of this Act.

[(4)(A) The term "program of transitional bilingual education" means a program of instruction, designed for children of limited English proficiency in elementary or secondary schools, which provides, with respect to the years of study to which such program is applicable, structured English language instruction, and, to the extent necessary to allow a child to achieve competence in the English language, instruction in the child's native language. Such instruction shall incorporate the cultural heritage of such children and of other children in American society. Such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade-promotion and graduation standards.

[(B) In order to prevent the segregation of children on the basis of national origin in programs of transitional bilingual education, and in order to broaden the understanding of children about languages and cultural heritages other than their own, a program of transitional bilingual education may include the participation of children whose language is English, but in no event shall the percentage of such children exceed 40 percent. The program may provide for centralization of teacher training and curriculum development, but it shall serve such children in the schools which they normally attend.

[(C) In such courses or subjects of study as art, music, and physical education, a program of transitional bilingual education shall make provision for the participation of children of limited English proficiency in regular classes.

[(D) Children enrolled in a program of transitional bilingual education shall, if graded classes are used, be placed, to the extent practicable, in classes with children of approximately the same age and level of educational attainment. If children of significantly varying ages or levels of educational attainment are placed in the same class, the program of transitional bilingual education shall seek to insure that each child is provided with instruction which is appropriate for such child's level of educational attainment.

[(5)(A) The term "program of developmental bilingual education" means a full-time program of instruction in elementary and secondary schools which provides, with respect to the years of study to which such program is applicable, structured English language instruction and instruction in a second language. Such programs shall be designed to help children achieve competence in English and a second language, while mastering subject matter skills. Such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade-promotion and graduation standards.

[(B) Where possible, classes in programs of developmental bilingual education shall be comprised of approximately equal numbers of students whose native language is English and limited English proficient students whose native language is the second language of instruction and study in the program.

[(6) The term "special alternative instructional programs" means programs of instruction designed for children of limited English proficiency in elementary and secondary schools. Such programs are not transitional or developmental bilingual education programs, but have specially designed curricula and are appropriate for the particular linguistic and instructional needs of the children enrolled. Such programs shall provide, with respect to the years of study to which such program is applicable, structured English language instruction and special instructional services which will allow a child to achieve competence in the English language and to meet grade-promotion and graduation standards.

[(7) The term "family English literacy program" means a program of instruction designed to help limited English proficient adults and out-of-school youth achieve competence in the English language. Such programs of instruction may be conducted exclusively in English or in English and the student's native language. Where appropriate, such programs may include instruction on how parents and family members can facilitate the educational achievement of limited English proficient children. To the extent feasible, preference for participation in such programs shall be accorded to the parents and immediate family members of children enrolled in programs assisted under this title. Such programs of instruction may include instruction designed to enable aliens who are otherwise eligible for temporary resident status under section 245A of the Immigration and Nationality Act to achieve a minimal understanding of ordinary English and a knowledge and understanding of history and government of the United States as required by section 312 of such Act.

[(8) The term "programs of academic excellence" means programs of transitional bilingual education, developmental bilingual education, or special alternative instruction (A) which have an established record of providing effective, academically excellent instruction; and (B) which—

[(i) can be used as models for effective schools for limited English proficient students to facilitate the dissemination and use of effective teaching practices for limited English proficient students; or

[(ii) which are designed to serve as models of exemplary bilingual education programs and to facilitate the dissemination of effective bilingual educational practices.

[(9) The term "Office" means the Office of Bilingual Education and Minority Languages Affairs.

[(10) The term "Director" means the Director of the Office of Bilingual Education and Minority Languages Affairs.

[(11) The term "Secretary" means the Secretary of Education.

[(12) The term "other programs for persons of limited English proficiency" when used in this title means any programs within the Department of Education directly involving bilingual education activities serving persons of limited English proficiency, such as the programs carried out in coordination with the provisions of this title pursuant to part E of title IV of the Carl D. Perkins Vocational Education Act, and section 306(b)(11) of the Adult Education Act, and programs and projects serving individuals of limited English proficiency pursuant to section 6(b)(4) of the Library Services and Construction Act.

[(b) REGULATION REQUIREMENT.—(1) In prescribing regulations under this title, the Secretary shall consult with State and local educational agencies, organizations representing persons of limited English proficiency, and organizations representing teachers and other personnel involved in bilingual education.

[(2) The Secretary shall not prescribe under this title any regulations further defining the terms defined in subsection (a), or any regulations restricting or expanding the definitions set out in subsection (a).

[(c) SPECIAL INFORMATION RULE.—Parents of children participating in programs assisted under this title shall be informed of the instructional goals of the program and the progress of their children in such program. Every effort shall be made to provide the information to parents pursuant to this subsection in a language and form the parents understand.

[PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS

[SEC. 7021. BILINGUAL EDUCATION PROGRAMS.

[(a) USES OF FUNDS.—Funds available for grants under this part shall be used for the establishment, operation, and improvement of—

[(1) programs of transitional bilingual education;

[(2) programs of developmental bilingual education;

[(3) special alternative instructional programs for students of limited English proficiency;

[(4) programs of academic excellence;

[(5) family English literacy programs; and

[(6) bilingual preschool, special education, and gifted and talented programs preparatory or supplementary to programs such as those assisted under this Act.

Programs under this subsection may use available funds to provide technology-based instruction to students in order to enhance the program.

[(b) APPLICATIONS.—(1) A grant may be made under subsection (a)(1), (a)(2), or (a)(3) of this section only upon application therefor by 1 or more local educational agencies or by institutions of higher education, including junior or community colleges, applying jointly with 1 or more local educational agencies.

[(2) A grant may be made under subsection (a)(4), (a)(5), or (a)(6) only upon application by one or more local educational agencies; institutions of higher education, including junior or community colleges; or private nonprofit organizations, applying separately or jointly.

[(c) CONTENT OF APPLICATION.—(1) Any application for a grant authorized under subsection (a) of this section shall be made to the Secretary at such time, and in such manner, as the Secretary considers appropriate.

[(2) Applications for grants authorized under subsections (a)(1), (a)(2), and (a)(3) of this section shall contain information regarding—

[(A) the number of children enrolled in programs conducted by the local educational agency;

[(B) the number of children residing in the area served by the local educational agency who are enrolled in private schools;

[(C)(i) the number of children enrolled in public and private schools in the area served by the local educational agency who are limited in their English proficiency; (ii) the method used by the applicant to make this determination; and (iii) evidence of the educational condition of the limited English proficient students, such as reading, mathematics, and subject matter test scores, and, where available, data on grade retention rates and student dropout rates;

[(D) the number of limited English proficient children who are enrolled in instructional programs specifically designed to meet their educational needs, as well as descriptions of such programs;

[(E) the number of limited English proficient children enrolled in public or private schools in the area served by the local educational agency who need or could benefit from education programs such as those assisted under this title;

[(F) the number of children who are to receive instruction through the proposed program and the extent of their educational needs;

[(G) a statement of the applicant's ability to serve children of limited English proficiency, including an assessment of the qualifications of personnel who will participate in the proposed project and of the need for further training of such personnel;

[(H) the resources needed to develop and operate or improve the proposed program;

[(I) the activities which would be undertaken under the grant, including training of educational personnel and parents, and how these activities will improve the educational attainment of students and expand the capacity of the applicant to operate programs such as those assisted under this Act when Federal assistance under this section is no longer available; and

[(J) the specific educational goals of the proposed program and how achievement of these goals will be measured.

[(3) An application for a grant under subsection (a)(3) of this section shall receive priority if the application—

[(A) describes the administrative impracticability of establishing a bilingual education program due to the presence of a small number of students of a particular native language,

[(B) describes the unavailability of personnel qualified to provide bilingual instructional services, or

[(C) is made on behalf of a local educational agency having a small number of limited English proficient students in the schools of such agency that because of isolation or regional location is unable to obtain a native language teacher.

[(4) Applications for grants authorized under subsection (a)(4) shall contain information regarding—

[(A) the number of children served by the existing bilingual education program and evidence of their educational condition prior to enrollment in the program;

[(B) a description of the existing program as well as the educational background and linguistic competencies of program personnel;

[(C) the extent to which the program has promoted student academic achievement as indicated by objective evidence, such as improvements in language, mathematics, and subject matter test scores; grade retention rates; student dropout rates; and, where appropriate, postsecondary education and employment experiences of students;

[(D) the extent of parent involvement in and satisfaction with the existing bilingual education program; and

[(E) how the activities carried out under the grant would utilize and promote programs of academic excellence which employ bilingual education practices, techniques, and methods.

[(5) Applications for grants authorized under subsection (a)(5) shall contain information regarding—

[(A) the number of limited English proficient parents and out-of-school family members of limited English proficient students who would be served by the English literacy program;

[(B) the activities which would be undertaken under the grant and how these activities will promote English literacy and enable parents and family members to assist in the education of limited English proficient children;

[(C) the extent to which the persons to be served by the program have been involved in its development;

[(D) applicant's prior experience and performance in providing educational programs to limited English proficient adults and out-of-school youth;

[(E) with respect to applications by a local educational agency, the extent to which limited English proficient students enrolled in the educational agency are served by programs specifically designed to meet their needs; and

[(F) with respect to other applicants, a description of how the applicant will coordinate its program with a local education agency to ensure that the program will help limited English proficient family members promote the academic progress of limited English proficient children.

[(d) DURATION OF GRANTS.—(1)(A) Grants made pursuant to subsections (a)(1), (a)(2), and (a)(3) of this section shall be for 3 years.

[(B) During the first 12 months of grants made pursuant to subsections (a)(1), (a)(2), and (a)(3) of this section, an applicant may engage exclusively in preservice activities. Such activities may include program design, materials development, staff recruitment and training, development of evaluation mechanisms and procedures, and the operation of programs to involve parents in the educational program and to enable parents and family members to assist in the education of limited English proficient children.

[(C) Upon reapplication, grants authorized under subsections (a) (1), (2), and (3) of this section shall be renewed for 2 additional years unless the Secretary determines that—

[(i) the applicant's program does not comply with the requirements set out in this title;

[(ii) the applicant's program has not made substantial progress in achieving the specific educational goals set out in the original application; or

[(iii) there is no longer a need for the applicant's program.

[(D) Parents or legal guardians of students identified for enrollment in bilingual education programs shall be informed of (i) the reasons for the selection of their child as in need of bilingual education, (ii) the alternative educational programs that are available, and (iii) the nature of the bilingual education program and of the instructional alternatives. Parents shall also be informed that they have the option of declining enrollment of their children in such programs and shall be given an opportunity to do so if they so choose. Every effort shall be made to provide the information to parents pursuant to this subsection in a language and form the parents understand.

[(2) Grants made pursuant to subsections (a)(4), (a)(5), and (a)(6) shall be for 3 years.

[(3)(A) No student may be enrolled in a bilingual program for which a grant is made under subsection (a)(1) or (a)(3) of this section for a period of more than 3 years, except where the school in which the student is enrolled—

[(i) conducts a comprehensive evaluation of the overall academic progress of the student, and

[(ii) the results of the evaluation indicate that lack of English proficiency is impeding the academic progress of the student in meeting grade promotion and graduation standards and, in the case of a handicapped child attainment of the objective in the child's individualized education program.

Any student with respect to whom the requirements of this paragraph are met, may remain in the program for a fourth year, except as provided in division (ii) of subparagraph (B).

[(B)(i) The evaluation required by paragraph (A) shall involve teachers and school personnel familiar with the students' overall academic progress. The results of such an evaluation shall be made available to the parents of the student.

[(ii) An evaluation shall be carried out at the end of the fourth year the student is in the program described in subparagraph (A) if the student is to continue in the program for a fifth year and shall be conducted in accordance with division (i) of this subparagraph.

[(iii) Each evaluation shall indicate how the students' English language development will be addressed during the period a student is retained in the program. The students' academic program during that period shall emphasize mastery of English.

[(C) No student shall remain in a bilingual education program described in subparagraph (A) for more than 5 years.

[(D) In carrying out this title, each local educational agency, institution of higher education, and private nonprofit organization having an application approved under this section may intensify instruction for limited English proficient students throughout the regular and any supplementary program by—

[(i) expanding the educational calendar of the schools in which such student is enrolled to include programs before and after school and during the summer months;

[(ii) lowering per pupil ratios, including the use of professional and volunteer aides; and

[(iii) the application of technology to the course of instruction.

[(e) APPLICATION REQUIREMENTS.—An application for a grant authorized under subsections (a)(1), (a)(2), and (a)(3) of this section shall—

[(1) be developed in consultation with an advisory council, of which a majority shall be parents and other representatives of the children to be served in such programs, in accordance with criteria prescribed by the Secretary;

[(2) be accompanied by documentation of such consultation and by the comments which the council makes on the application;

[(3) contain assurances that, after the application has been approved, the applicant will provide for the continuing consultation with, and participation by, the committee of parents, teachers, and other interested individuals which shall be selected by and predominantly composed of parents of children participating in the program, and in the case of programs carried out in secondary schools, representatives of the secondary students to be served;

[(4) ensure applicant support for additional advisory council activities, if support is requested by the advisory council; and

[(5) include evidence that the State educational agency has been notified of the application and has been given the opportunity to offer recommendations thereon to the applicant and to the Secretary.

[(f) APPROVAL OF APPLICATIONS.—An application for a grant under subsections (a)(1), (a)(2), and (a)(3) of this section may be approved only if the Secretary determines—

[(1) that the program will use qualified personnel, including only those personnel who are proficient in the language or languages used for instruction;

[(2) that in designing the program for which application is made, the needs of the children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public schoolchildren;

[(3) that the program will be evaluated in accordance with a plan that meets the requirements of section 7033 of this title;

[(4) that student evaluation and assessment procedures in the program are appropriate for limited English proficiency students, and that limited English proficient students who are handicapped are identified and served in accordance with the requirements of the Individuals with Disabilites Education Act;

[(5) that Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of those Federal funds, would have been expended for special programs for children of limited English proficiency and in no case to supplant such State and local funds, except that nothing in this paragraph shall—

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[(A) preclude a local educational agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children; or

[(B) authorize any priority or preference to be assigned by the Secretary to the funding of the activities under this title;

[(6) that the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of children of limited English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this title is reduced or no longer available;

[(7) that the applicant will provide or secure training for personnel participating, or preparing to participate, in the program which will assist them to meet State and local certification requirements and that, to the extent possible, college or university credit will be awarded for such training; and

[(8) that the provision of assistance proposed in the application is consistent with criteria established by the Secretary, after consultation with the State educational agency, for the purpose of achieving an equitable distribution of assistance under this part within the State in which the applicant is located, taking into consideration—

[(A) the geographic distribution of children of limited English proficiency;

[(B) the relative need of persons in different geographic areas within the State for the kinds of services and activities authorized under this title;

[(C) the relative ability of applicant local educational agencies within the State to provide needed services and activities; and

[(D) the relative numbers of persons from low-income families who would benefit from the applicants' programs; and

[(9) that the State educational agency has been notified of the application and has been given the opportunity to offer recommendations thereon to the applicant and to the Secretary.

[(g) PRIORITY CONSIDERATION OF GRANTS.—An application for a grant under subsection (a)(3) of this section may receive priority based upon the information provided by the applicant pursuant to clause (A), (B), or (C) of subsection (c)(3) of this section.

[(h) PRIORITY FOR PROGRAMS SERVING UNDERSERVED CHILDREN.—In the consideration of applications from local educational agencies to carry out programs authorized under this section, the Secretary shall give priority to applications from local educational agencies which are located in various geographical regions of the Nation and which propose to assist children of limited English proficiency who have historically been underserved by programs of bilingual education, taking into consideration the relative numbers of such children in the schools of such local educational agencies and the relative need for such programs. In approving such applications, the Secretary shall, to the extent feasible, allocate funds appropriated in proportion to the geographical distribution of children of limited English proficiency throughout the Nation, with due regard for the relative ability of particular local educational agencies to carry out such programs and the relative numbers of persons from low-income families who would benefit from such programs.

[(i) LIMITATION ON THE ASSIGNMENT OF STUDENTS.—No action taken may involve the admission or exclusion of students to or from any federally assisted education programs merely on the basis of the surnames of such students.

[(j) PROGRAMS IN PUERTO RICO.—Programs authorized under this title in the Commonwealth of Puerto Rico may, notwithstanding any other provision of this title, include programs of instruction, teacher training, curriculum development, research, evaluation, and testing designed to improve the English proficiency of children, and may also make provision for serving the needs of students of limited proficiency in Spanish.

[(k) BYPASS PROVISION.—If the Secretary determines that an applicant for assistance under this title is unable or unwilling to provide for the participation in the program for which assistance is sought of children of limited English proficiency enrolled in nonprofit, private schools, as required by subsection (f)(2) of this section, the Secretary shall—

[(1) withhold approval of such application until the applicant demonstrates that it is in compliance with those requirements; or

[(2) reduce the amount of the grant to such applicant by the amount which is required for the Secretary to arrange (such as through a contract with a nonprofit, nonsectarian agency, organization, or institution) to assess the needs of the children in the area to be served for programs of the type authorized in this title and to carry out such programs for the children.

[SEC. 7022. INDIAN CHILDREN IN SCHOOLS.

[(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this title for individuals served by elementary, secondary, or postsecondary schools operated predominantly for Indian or Alaskan Native children, an Indian tribe or a tribally sanctioned educational authority may be considered to be a local educational agency as such term is used in this title, subject to the following qualifications:

[(1) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act (85 Stat. 688) which is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

[(2) The term "tribally sanctioned educational authority" means any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe, as well as any nonprofit institution or organization which is chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee delivery of educational services to members of that tribe and which is approved by the Secretary for the purposes of this section.

[(b) BUREAU OF INDIAN AFFAIRS SCHOOLS.—From the sums appropriated pursuant to section 7002(b), the Secretary is authorized to make payments to the applicants to carry out programs of bilingual education for Indian children on reservations served by elementary and secondary schools operated or funded by the Bureau of Indian Affairs.

[(c) ANNUAL REPORT.—The Assistant Secretary of the Interior for the Bureau of Indian Affairs shall submit to the Congress, the President, and the Secretary by September 30 of each year an annual report which provides—

[(1) an assessment of the needs of the Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those tribes and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq.); and

[(2) an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

[PART B—DATA COLLECTION, EVALUATION, AND RESEARCH

[SEC. 7031. USE OF FUNDS.

[Funds available under this part shall be used for (1) collecting data on the number of limited English proficient persons and the educational services available to such persons, (2) evaluating the operation and effectiveness of programs assisted under this title, (3) conducting research to improve the effectiveness of bilingual education programs, and (4) collecting, analyzing, and disseminating data and information on bilingual education.

[SEC. 7032. GRANTS FOR STATE PROGRAMS.

[(a) DATA COLLECTION AND DISSEMINATION.—Upon application from a State educational agency, the Secretary shall make provision for the submission and approval of a State program for the collection, aggregation, analysis, and publication of data and information on the State's population of limited English proficient persons and the educational services provided or available to such persons.

[(b) REPORT TO SECRETARY.—State programs under this part shall provide for the annual submission of a report to the Secretary containing data and information on such matters as the Secretary shall, by regulation, determine necessary and proper to achieve the purposes of this title, including the matters specified in section 7021(c)(2). Such reports shall be in such form and shall be submitted on such date as the Secretary shall specify by regulation. State programs shall provide for the dissemination of information regarding these matters to the public, and particularly to persons of limited English proficiency.

[(c) Other Uses of Funds.—State programs authorized under this section may also provide for—

[(1) the planning and development of educational programs such as those assisted under this title;

[(2) the review and evaluation of programs of bilingual education, including bilingual education programs that are not funded under this title;

[(3) the provision, coordination, or supervision of technical and other forms of nonfinancial assistance to local educational agencies, community organizations, and private elementary and secondary schools that serve limited English proficient persons;

[(4) the development and administration of instruments and procedures for the assessment of the educational needs and competencies of persons of limited English proficiency;

[(5) the training of State and local educational agency staff to carry out the purposes of this title; and

[(6) other activities and services designed to build the capacity of State and local educational agencies to serve the educational needs of persons of limited English proficiency.

[(d) Payments.—Except as provided in the second sentence of this subparagraph, the Secretary shall pay from the amounts appropriated for the purposes of this section pursuant to section 7002(b)(2) for each fiscal year to each State educational agency which has a State program submitted and approved under subsection (a) of this section such sums as may be necessary for the proper and efficient conduct of such State program. The amount paid by the Secretary to any State educational agency under the preceding sentence for any fiscal year may not be less than $75,000 nor greater than 5 percent of the aggregate of the amounts paid under section 7021 for programs within such State in the fiscal year preceding the fiscal year to which this limitation applies.

[(e) Supplement Not Supplant.—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

[SEC. 7033. PROGRAM EVALUATION REQUIREMENTS.

[The Secretary shall issue, within 6 months of the date of enactment of this section, regulations which set forth a comprehensive design for evaluating the programs assisted under part A of this title. Such regulations shall be developed by the Director in consultation with State directors of bilingual education programs, the evaluation assistance centers authorized in section 7034, and individuals and organizations with expertise in testing and evaluation of educational programs for children of limited English proficiency. Such regulations shall provide for the collection of information and data including—

[(1) the educational background, needs, and competencies of the limited English proficient persons served by the program;

[(2) the specific educational activities undertaken pursuant to the program; the pedagogical materials, methods, and techniques utilized in the program; and, with respect to classroom activities, the relative amount of instructional time spent with students on specified tasks;

[(3) the educational and professional qualifications, including language competencies, of the staff responsible for planning and operating the program;

[(4) the specific activities undertaken to improve prereferral, evaluation procedures and instructional programs for limited English proficient children who may be handicapped or gifted and talented; and

[(5) the extent of educational progress achieved through the program measured, as appropriate, by (A) tests of academic achievement in English language arts, and where appropriate, second language arts; (B) tests of academic achievement in subject matter areas; and (C) changes in the rate of student grade-retention, dropout, absenteeism, placement in programs for the gifted and talented, and enrollment in postsecondary education institutions.

[SEC. 7034. EVALUATION ASSISTANCE CENTERS.

[The Secretary shall establish, through competitive grants to institutions of higher education, at least 2 evaluation assistance centers. Such centers shall provide, upon the request of State or local educational agencies, technical assistance regarding methods and techniques for identifying the educational needs and competencies of limited English proficient persons and assessing the educational progress achieved through programs such as those assisted under this title. Grants made pursuant to this section shall be for a period of 3 years.

[SEC. 7035. RESEARCH.

[(a) RESEARCH AND DEVELOPMENT.—The Secretary shall, through competitive contracts under this section, provide financial assistance for research and development proposals submitted by institutions of higher education, private for-profit and nonprofit organizations, State and local educational agencies, and individuals.

[(b) AUTHORIZED ACTIVITIES.—Research activities authorized to be assisted under this section shall include—

[(1) studies to determine and evaluate effective models for bilingual education programs;

[(2) studies which examine the process by which individuals acquire a second language and master the subject matter skills required for grade-promotion and graduation, and which identify effective methods for teaching English and subject matter skills within the context of a bilingual education program or special alternative instructional program to students who have language proficiencies other than English;

[(3) longitudinal studies to measure the effect of this title on students enrolled in title VII programs (including a longitudinal study of the impact of bilingual education programs on limited-English proficient students using a nationally representative sample of the programs funded under this title and which provides information including data on grade retention, academic performance, and dropout rates);

[(4) studies to determine effective and reliable methods for identifying students who are entitled to services under this title and for determining when their English language proficiency is sufficiently well developed to permit them to derive optimal benefits from an all-English instructional program;

[(5) the operation of a clearinghouse which shall collect, analyze, and disseminate information about bilingual education and related programs (and coordinate its activities with the National Diffusion Network);

[(6) studies to determine effective methods of teaching English to adults who have language proficiencies other than English;

[(7) studies to determine and evaluate effective methods of instruction for bilingual programs, taking into account language and cultural differences among students;

[(8) studies to determine effective approaches to preservice and inservice training for teachers, taking into account the language and cultural differences of their students;

[(9) studies to determine effective and reliable techniques for providing bilingual education to handicapped students;

[(10) studies to determine effective and reliable methods for identifying gifted and talented students who have language proficiencies other than English; and

[(11) the effect of this title on the capacity of local educational agencies to operate bilingual programs following the termination of assistance under this title.

[(c) CONSULTATION AND DELEGATION OF AUTHORITY.—In carrying out the responsibilities of this section, the Secretary may delegate authority to the Director, and in any event, shall consult with the Director, representatives of State and local educational agencies, appropriate groups and organizations involved in bilingual education, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives.

[(d) PUBLICATION OF PROPOSALS.—The Secretary shall publish and disseminate all requests for proposals in research and development assisted under this title.

[(e) LIMITATION OF AUTHORITY.—Nothing in this title shall be construed as authorizing the Secretary to conduct or support studies or analyses of the content of educational textbooks.

[SEC. 7036. COORDINATION OF RESEARCH.

[Notwithstanding section 405(b)(1) of the General Education Provisions Act, the Assistant Secretary for Educational Research and Improvement shall consult with the Director, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives to ensure that research activities undertaken pursuant to section 405(b)(2)(C) of the General Education Provisions Act complement and do not duplicate the activities conducted pursuant to this part.

[SEC. 7037. EDUCATION STATISTICS.

[(a) DATA COLLECTION.—Notwithstanding section 406 of the General Education Provisions Act, the National Center for Education Statistics shall collect and publish, as part of its annual report on the condition of education, data for States, the Commonwealth of Puerto Rico, and the trust territories with respect to the population of limited English proficient persons, the special educational services and programs available to limited English proficient persons, and the availability of educational personnel qualified to provide special educational services and programs to limited English proficient persons.

[(b) USE OF DATA.—In carrying out its responsibilities under this section, the National Center for Education Statistics shall utilize, to the extent feasible, data submitted to the Department of Education by State and local educational agencies and institutions of higher education pursuant to the provisions of this title as well as data collected on limited English proficient persons by other Federal agencies.

[PART C—TRAINING AND TECHNICAL ASSISTANCE

[SEC. 7041. USE OF FUNDS.

[(a) USE OF FUNDS.—Funds available under this part shall be used for—

[(1) the establishment, operation, and improvement of training programs for educational personnel preparing to participate in, or personnel participating in, the conduct of programs of bilingual education or special alternative instructional programs for limited English proficient students, which shall emphasize opportunities for career development, advancement, and lateral mobility, and may provide training to teachers, administrators, counselors, paraprofessionals, teacher aides, and parents;

[(2) the training of persons to teach and counsel such persons;

[(3) the encouragement of reform, innovation, and improvement in applicable education curricula in graduate education, in the structure of the academic profession, and in recruitment and retention of higher education and graduate school faculties, as related to bilingual education;

[(4) the operation of short-term training institutes designed to improve the skills of participants in programs of bilingual education or special alternative instructional programs for limited English proficient students; which may include summer programs designed to improve the instructional competence of educational personnel in the languages used in the program; and

[(5) the provision of inservice training and technical assistance to parents and educational personnel participating in, or preparing to participate in, bilingual education programs or special alternative instructional programs for limited English proficient students.

[(b) APPLICATIONS.—(1) A grant or contract may be made under subsection (a)(1), (a)(2), or (a)(3) of this section upon application of an institution of higher education.

[(2) A grant or contract may be made under subsection (a)(4) of this section upon application of (A) institutions of higher education (including junior colleges and community colleges) and private for-profit or nonprofit organizations which apply, after consultation with, or jointly with, one or more local educational agencies or a

State educational agency; (B) local educational agencies; or (C) a State educational agency.

[(3) A grant or contract may be made under subsection (a)(5) of this section upon application of (A) institutions of higher education (including junior colleges and community colleges), (B) private for-profit or nonprofit organizations, or (C) a State educational agency.

[(c) Application Requirement for Training Programs.—An application for a grant or contract for preservice or inservice training activities described in subsection (a)(1) of this section shall be developed in consultation with an advisory council composed of representatives of State and local educational agencies within the applicant's service area or geographic region which operate programs of bilingual education or special alternative instruction for limited English proficient students.

[(d) Training Program Requirements.—A preservice or inservice training program funded under subsection (a)(1) shall assist educational personnel in meeting State and local certification requirements, and, whenever possible, should award college or university credit.

[(e) Preference in Assistance and Purpose of Training.—(1) In making a grant or contract for preservice training programs described in subsection (a)(1) of this section, the Secretary shall give preference to programs which contain coursework in—

[(A) teaching English as a second language;

[(B) use of a non-English language for instructional purposes;

[(C) linguistics; and

[(D) evaluation and assessment;

and which involve parents in the educational process.

[(2) Preservice training programs shall be designed to ensure that participants become proficient in English and a second language of instruction.

[SEC. 7042. MULTIFUNCTIONAL RESOURCE CENTERS.

[(a) Establishment.—Pursuant to subsection (a)(5) of section 7041, the Secretary shall establish, through competitive grants or contracts, at least 16 multifunctional resource centers (hereafter in this section referred to as "centers"). Grants and contracts shall be awarded with consideration given to the geographic and linguistic distribution of children of limited English proficiency.

[(b) Required Services.—In addition to providing technical assistance and training to persons participating in or preparing to participate in bilingual education programs or special alternative instructional programs for limited English proficient students, each center shall be responsible for gathering and providing information to other centers on a particular area of bilingual education, including (but not limited to) bilingual special education, bilingual education for gifted and talented limited English proficient students, bilingual vocational education, bilingual adult education, bilingual education program administration, literacy, education technology in bilingual programs, mathematics and science education in bilingual programs, counseling limited English proficient students, and career education programs for limited English proficient students.

[SEC. 7043. FELLOWSHIPS.

[(a) AUTHORIZATION.—Pursuant to subsection (a)(2) of section 7041, the Secretary is authorized to award fellowships for advanced study of bilingual education or special alternative instructional programs for limited English proficient students in such areas as teacher training, program administration, research and evaluation, and curriculum development. For fiscal year 1989 and each of the 4 subsequent fiscal years, not less than 500 fellowships leading to a masters or doctorate degree shall be awarded under the preceding sentence. Such fellowships shall be awarded, to the extent feasible, in proportion to the needs of various groups of individuals with limited English proficiency. In awarding fellowships, the Secretary shall give preference to individuals intending to study bilingual education or special alternative instructional programs for limited English proficient students in the following specialized areas: vocational education, adult education, gifted and talented education, special education, education technology, literacy, and mathematics and science education. The Secretary shall include information on the operation of the fellowship program in the report required under section 7051(c) of this title.

[(b) FELLOWSHIP REQUIREMENTS.—Any person receiving a fellowship under this section shall agree either to repay such assistance or to work for a period equivalent to the period of time during which such person received assistance, and such work shall be in an activity related to programs and activities such as those authorized under this Act. The Secretary may waive this requirement in extraordinary circumstances.

[SEC. 7044. PRIORITY.

[In making grants or contracts under this part, the Secretary shall give priority to eligible applicants with demonstrated competence and experience in programs and activities such as those authorized under this Act.

[SEC. 7045. STIPENDS.

[In the terms of any arrangement described in this part, the Secretary shall provide for the payment, to persons participating in training programs so described, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as the Secretary may determine to be consistent with prevailing practices under comparable federally supported programs.

[PART D—ADMINISTRATION

[SEC. 7051. OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS.

[(a) ESTABLISHMENT.—There shall be, in the Department of Education, an Office of Bilingual Education and Minority Languages Affairs (hereafter in this section referred to as the "Office") through which the Secretary shall carry out functions relating to bilingual education.

[(b) DIRECTOR.—(1) The Office shall be headed by a Director of Bilingual Education and Minority Languages Affairs, appointed by the Secretary, to whom the Secretary shall delegate all delegable functions relating to bilingual education. The Director shall also be assigned responsibility for coordinating the bilingual education aspects of other programs administered by the Secretary.

[(2) The Office shall be organized as the Director determines to be appropriate in order to enable the Director to carry out such functions and responsibilities effectively, except that there shall be a division, within the Office, which is exclusively responsible for the collection, aggregation, analysis, and publication of data and information on the operation and effectiveness of programs assisted under this title.

[(3) The Director shall prepare and, not later than February 1 of each year, shall submit to Congress and the President a report on—

[(A) the grants and contracts made pursuant to this title in the preceding fiscal year;

[(B) the number of individuals benefiting from the programs assisted under this title;

[(C) the evaluation of activities carried out under this title during the preceding 2 fiscal years and the extent to which each of such activities achieves the policy set forth in section 7002(a);

[(D) an estimate of the number of fellowships in the field of training teachers for bilingual education which will be necessary for the 2 succeeding fiscal years; and

[(E) the research activities carried out under such title during the preceding 2 fiscal years and the major findings of research studies.

[(c) Coordination With Related Programs.—In order to maximize Federal efforts aimed at serving the educational needs of children of limited English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs administered by the Department of Education, including such areas as teacher training, program content, research, and curriculum. The Secretary's report under section 6213 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 shall include demonstration that such coordination has taken place.

[(d) Staffing Requirement.—The Secretary shall ensure that the Office of Bilingual Education and Minority Language Affairs is staffed with sufficient personnel trained, or with experience in, bilingual education to discharge effectively the provisions of this title.

[(e) Reading and Scoring Applications.—For the purpose of reading and scoring applications for competitive grants authorized under parts A and C of this title, the Secretary shall use persons who are not otherwise employed by the Federal Government and who are experienced and involved in educational programs similar to those assisted under parts A and C of this title. The Secretary shall solicit nominations for application readers from State directors of bilingual education and may use funds appropriated for parts A and C of this title to pay for the application reading and scoring services required by this provision.

[SEC. 7052. LIMITATION OF AUTHORITY.

[The Secretary shall not impose restrictions on the availability or use of funds authorized under this title other than those set out in this title or other applicable Federal statutes and regulations.

[PART E—TRANSITION

[SEC. 7063. TRANSITION.

[This title shall not apply to grants and contracts entered into under the Bilingual Education Act as in effect before October 1, 1988.

[TITLE X—GENERAL PROVISIONS

[DEFINITIONS

[SEC. 8001. Except as otherwise provided, the terms used in this Act have the same meanings provided in section 1471 of this Act.

[FEDERAL ADMINISTRATION

[SEC. 8002. In administering the provisions of this Act and any Act amended by this Act, the Commissioner shall consult with other Federal departments and agencies administering programs which may be effectively coordinated with programs carried out pursuant to such Acts, and to the extent practicable for the purposes of such Acts shall coordinate such programs on the Federal level with the programs being administered by such other departments and agencies. Federal departments and agencies administering programs which may be effectively coordinated with programs carried out under this Act or any Act amended by this Act, including community action programs carried out under title II of the Economic Opportunity Act of 1964, shall, to the fullest extent permitted by other applicable law, carry out such programs in such a manner as to assist in carrying out, and to make more effective, the programs under this Act or any Act amended by this Act.

[WAIVER OF REQUIREMENTS FOR CERTAIN JURISDICTIONS

[SEC. 8003. (a)(1) If the Commissioner determines that compliance with any of the requirements of this Act, or the Education Consolidation and Improvement Act of 1981 by Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands is impractical or inappropriate because of conditions or circumstances particular to any of such jurisdictions, he may waive any of those requirements upon the request of the State educational agency for such jurisdiction. At least thirty days prior to approving any such request for a waiver, the Commissioner shall publish in the Federal Register a notice of his intent to grant such a waiver and the terms and conditions upon which such a waiver will be granted.

[(2) Any waiver of requirements under this subsection shall be subject to such terms and conditions as the Commissioner deems necessary to carry out the purposes of this Act, including the submission by the jurisdiction concerned of a plan for the management of the funds in a manner designed to achieve the purposes of this Act.

[(b)(1) If the Commissioner determines that compliance with any of the requirements of title I by Puerto Rico is impractical or inappropriate because of conditions or circumstances particular to that jurisdiction, he may waive any of those requirements upon the request of the State educational agency for that jurisdiction. At least thirty days prior to approving any such request for a waiver, the Commissioner shall publish in the Federal Register a notice of his intent to grant such waiver and the terms and conditions upon which such a waiver will be granted.

[(2) Any waiver of requirements under this subsection shall be subject to such terms and conditions as the Commissioner deems necessary to carry out the purposes of title I, including the submission by Puerto Rico of a plan for the management of the funds provided under such title, in order to insure that those funds are used in a manner designed to achieve the purposes of such title.

[(3) No waiver may be granted under this subsection after July 1, 1980, or apply to any period after such date.

[LIMITATION ON PAYMENTS UNDER THIS ACT

[SEC. 8004. Nothing contained in this Act shall be construed to authorize the making of any payment under this Act, or under any Act amended by this Act, for religious worship or instruction.

[OPEN MEETINGS OF EDUCATIONAL AGENCIES

[SEC. 8005. No application for assistance under this Act may be considered unless the local educational agency making such application certifies to the Commissioner that members of the public have been afforded the opportunity upon reasonable notice to testify or otherwise comment regarding the subject matter of the application. The Commissioner is authorized and directed to establish such regulations as necessary to implement this section.]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Elementary and Secondary Education Act of 1965".

TITLE I—IMPROVED EDUCATION FOR DISADVANTAGED CHILDREN

SEC. 1001. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

(a) STATEMENT OF POLICY.—The Congress declares it to be the policy of the United States that a high-quality education for all persons and a fair and equal opportunity to obtain such education—

(1) are a societal good necessary for creating a vibrant future for our complex and diverse democracy and for meeting the challenge of an internationally competitive economy;

(2) are a private good because individual opportunity is greatly enhanced by being well educated;

(3) are a moral imperative in our society and simple justice demands that the opportunity to acquire skills and knowledge deemed necessary for basic citizenship and economic opportunity be equally available to all; and

(4) improve the life of every person, because the quality of individual lives ultimately depends on the quality of the lives of others.

(b) RECOGNITION OF NEED.—The Congress recognizes that—

(1) although the achievement gap between disadvantaged children and other children has been reduced by half over the

past two decades, a sizable gap remains, and many segments of our society lack the opportunity to become well educated;

(2) the most urgent need for educational improvement is in schools with high concentrations of children from low-income families and achieving the National Education Goals will not be possible without substantial improvement in these schools;

(3) educational needs are particularly great for low-achieving children in the highest-poverty schools, children with limited English proficiency, children of migrant workers, Indian children, children who are neglected or delinquent, and young children and their parents who are in need of family-literacy services; and

(4) while title I and other programs funded under this Act contribute to narrowing the achievement gap between children in high-poverty and low-poverty schools, such programs need to become even more effective in improving schools in order to enable all children to achieve high standards.

(c) WHAT HAS BEEN LEARNED.—To enable schools to provide all children a high-quality education, this title builds upon what has been learned:

(1) All children can master challenging content and complex problem-solving skills and research clearly shows that children, including low-achieving children, can succeed when expectations are high and they are given the opportunity to learn challenging material.

(2) Conditions outside the classroom such as hunger, unsafe living conditions, homelessness, unemployment, violence, inadequate health care, child abuse, and drug and alcohol abuse can adversely affect children's academic achievement and must be addressed through the coordination of services, such as health and social services, in order for the Nation to meet the National Education Goals.

(3) A better understanding of the principles of good health can help children and adolescents succeed in school, become active, productive members of society, and successfully compete in a rapidly changing global economy. Schools that provide quality physical and health education contribute to enhanced knowledge, behavior, and fitness of children and adolescents.

(4) Use of low-level tests that are not aligned with schools' curricula fails to provide adequate information about what children know and can do and encourages curricula and instruction that focus on the low-level skills measured by such tests.

(5) Resources are more effective when they ensure that children have full access to effective regular school programs and receive supplemental help through extended-time activities.

(6) The disproven theory that children must first learn basic skills before engaging in more complex tasks continues to dominate strategies for classroom instruction, resulting in emphasis on repetitive drill and practice at the expense of content-rich instruction, accelerated curricula, and effective teaching to high standards.

(7) Intensive and sustained professional development for teachers and other school staff (focused on teaching and learn-

ing and on helping children attain high standards) is too often not provided.

(8) Insufficient attention and resources are directed toward the effective use of technology in schools and the role it can play in professional development and improved teaching and learning.

(9) All parents can contribute to their children's success by helping at home and becoming partners with teachers so that children can achieve high standards.

(10) Decentralized decisionmaking is a key ingredient of systemic reform. Schools need the resources, flexibility, and responsibility to design and implement effective strategies for bringing children to high levels of performance and should accept responsibility to do so.

(11) Opportunities for students to achieve high standards can be enhanced through a variety of approaches such as public school choice and public charter schools.

(12) Attention to academics alone cannot ensure that all children will reach high standards. The health and other needs of children that affect learning are frequently unmet, particularly in high-poverty schools, thereby necessitating coordination of services to better meet children's needs.

(13) Resources provided under this title can be better targeted on the highest-poverty local educational agencies and schools that have children most in need.

(d) STATEMENT OF PURPOSE.—The purpose of this title is to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the rigorous State content standards and to meet the challenging State performance standards developed for all children under the Goals 2000: Educate America Act or, in their absence, under this title. This purpose shall be accomplished by—

(1) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards;

(2) providing children an enriched and accelerated educational program through schoolwide programs or through additional services that increase the amount and quality of instructional time so that children served under this title receive at least the classroom instruction that other children receive;

(3) promoting schoolwide reform and ensuring access of children (from the earliest grades) to effective instructional strategies and challenging academic content that includes intensive complex thinking and problem-solving experiences;

(4) significantly upgrading the quality of curricula and instruction by providing staff in participating schools with substantial opportunities for intensive and sustained professional development;

(5) coordinating services under all parts of this title with each other, with other educational services, and, to the extent feasible, with health and social service programs funded from other sources;

(6) affording parents meaningful opportunities to participate in the education of their children at home and at school;

(7) distributing resources, in amounts sufficient to make a difference, to schools where needs are greatest;

(8) improving accountability, as well as teaching and learning, by using State assessment systems designed to measure how well children are achieving high State standards of performance expected of all children; and

(9) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance.

SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

Appropriations are authorized for the following programs and activities under this title:

(1) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A of this title, other than sections 1117, and 1120(d), there are authorized to be appropriated $7,400,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(2) EVEN START.—For the purpose of carrying out part B of this title, there are authorized to be appropriated $118,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(3) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C of this title, there are authorized to be appropriated $310,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(4) PREVENTION AND INTERVENTION SERVICES FOR DELINQUENT YOUTH AND YOUTH AT RISK OF DROPPING OUT.—For the purpose of carrying out part D of this title, there are authorized to be appropriated $40,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(5) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(d) of this title, there are authorized to be appropriated $41,434,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(6) SCHOOL IMPROVEMENT.—For the purpose of carrying out the activities authorized in section 1117 of this title, there are authorized to be appropriated $30,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(7) FEDERAL ACTIVITIES.—(A) For the purpose of carrying out section 1501 of this title, there are authorized to be appropriated $9,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(B) For the purpose of carrying out sections 1502 and 1503 of this title, there are authorized to be appropriated $20,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

Subpart 1—Basic Program Requirements

SEC. 1111. STATE PLANS.

(a) PLANS REQUIRED.—(1) Any State desiring to receive a grant under this part shall submit to the Secretary a plan, developed in consultation with local educational agencies, teachers, administrators, and parents, that—

(A)(i) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; and

(ii) is integrated with other State plans, if any, under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, to the extent that these plans have not already been incorporated in the State's plan under title III of the Goals 2000: Educate America Act; or

(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

(i) is integrated with other State plans under this Act and other plans, including those under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, where such plans exist; and

(ii) satisfies the requirements of this section.

(2) The plan may be submitted as part of a consolidated application under section 9302.

(3) A State may satisfy all or part of the requirements of this section by referencing applicable sections of its approved State plan under title III of the Goals 2000: Educate America Act.

(b) STANDARDS AND ASSESSMENT PROVISIONS.—(1)(A) Each State plan shall demonstrate that the State has developed or adopted high-quality standards for children served under this title that will be used by the State, its local educational agencies, and its schools to carry out this Act and that these standards be as challenging and of the same high-quality as they are for all children. These standards shall include—

(i) challenging content standards in the core academic subjects that—

(I) specify what children served under this title are expected to know and be able to do;

(II) contain coherent and rigorous content; and

(III) emphasize the teaching of advanced skills;

(ii) challenging performance standards that—

(I) are aligned with the State's content standards;

(II) describe two levels of high performance, "proficient" and "advanced", that determine how well children served under this title are mastering the material in the content standards; and

(III) include a third benchmark below proficient, if necessary, to provide complete information about the progress of the lower-performing children toward achieving the high "proficient" and "advanced" performance standards; and

(iii) opportunity to learn standards that address—

(I) the quality and availability of curricula, instructional materials, and technologies for all students served under this title;

(II) the capability of teachers to provide high-quality instruction to all students served under this title;

(III) the extent to which teachers, principals, and administrators have ready and continuing access to professional development, including the best knowledge about teaching, learning and school improvement;

(IV) the extent to which curricula, instructional practices, and assessments for students served under this title are aligned to content standards;

(V) the extent to which school facilities provide a safe and secure environment for learning and instruction and have the requisite libraries, laboratories, and other resources necessary to provide students served under this title an opportunity to learn;

(VI) the extent to which schools which receive funds under this title utilize policies, curricula, and instructional practices which ensure nondiscrimination on the basis of gender;

(VII) the capability of local educational agencies and schools to comply with the requirements in section 1112(c)(3) with respect to addressing the comprehensive needs of children and the requirements of section 1114(b) or section 1115(c), whichever is applicable; and

(VIII) such other factors that the State deems appropriate to ensure that students served under this title receive a fair opportunity to achieve the knowledge and skills described in content and performance standards adopted by the State.

(B) For those core academic subjects in which a State has not adopted challenging content and performance standards, the State plan shall include a schedule for their development that includes the completion of standards in mathematics and reading/language arts by the end of the interim period as described in paragraph (8).

(2)(A) Each State plan shall demonstrate, based on assessments described under paragraph (3), what constitutes adequate yearly progress of—

(i) any school served under this part toward enabling children to meet the State's "proficient" and "advanced" performance standards; and

(ii) any local educational agency that received funds under this part toward enabling children in schools receiving assistance under this part to meet the State's "proficient" and "advanced" performance standards.

(B) Adequate yearly progress shall be defined in a manner—

(i) that is consistent with criteria of general applicability established by the Secretary and results in continuous and sub-

stantial yearly improvement for economically disadvantaged, limited-English proficient, and all students under this title in each school and local educational agency toward the goal of all children under this title meeting the State's challenging "advanced" performance standards; and

(ii) links progress primarily to performance on the assessments carried out under this section while permitting progress to be established in part through the use of other outcome-based measures such as reductions in drop-out rates.

(3) Each State plan shall demonstrate that the State has developed or adopted a set of high-quality, yearly student assessments that will be used as the primary means of determining the yearly performance of each local educational agency and school receiving assistance under this part in enabling children served under this title to meet the State's performance standards and that these assessments be challenging and of the same high-quality as they are for all children. These assessments shall—

(A) be aligned with the State's challenging content and performance standards and provide coherent information about student attainment of such standards;

"(B) be used for purposes for which they are valid and reliable, and be consistent with relevant nationally recognized professional and technical standards of assessments;

(C) shall measure the proficiency of students in the core academic subjects in which a State has adopted challenging content and performance standards and be administered at some time during—

(i) grades 3 through 5;
(ii) grades 6 through 9;
(iii) grades 10 through 12.

(D) be comprised of multiple, up-to-date measures of student performance;

(E)(i) include limited-English proficient students who shall be assessed, to the extent practicable in the language and form most likely to yield accurate and reliable information on what these students know and can do, to determine their mastery of skills in subjects other than English;

(ii) include students who have been resident in a local educational agency for a full academic year but have not attended a single school for a full year, provided that the performance of students who have attended more than one school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency; and

(iii) include students with disabilities who shall be assessed, to the extent practicable, in a manner and form most likely to yield accurate and reliable information on what these students know and can do, including assessment accommodations and modifications necessary to make such determinations, provided that those students who are determined, through valid evaluation conducted by qualified personnel, to be so severely cognitively impaired as to permanently lack the capacity to make any educational progress, with the provision of special education and related services, in meeting the State content and

performance standards may be exempted from the assessment process;

(F) provide individual student scores; and

(G) provide for disaggregated results within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, and by economically disadvantaged students as compared to students who are not economically disadvantaged.

(4) Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student assessments are not available and are needed. The State shall make every effort to develop such assessments and shall notify the Secretary if linguistically- accessible assessment measures are needed. Upon notification, the Secretary shall assist with the identification of appropriate assessment measures in the needed languages through the Office of Bilingual Education and Minority Language Affairs.

(5) Each State plan shall include a description of how the State will annually evaluate and report to the public about the extent to which local educational agencies and schools within the State which receive funds under this title meet the State's opportunity-to-learn standards.

(6) If a State has developed or adopted challenging content and performance standards and an aligned set of assessments for all students such as those developed under title III of the Goals 2000: Educate America Act, or another process, the State shall use such standards and assessments, modified, if necessary, to conform with the requirements of paragraphs (1)(A)(ii), (2), and (3).

(7) If, after 2 years, a State does not have challenging content and performance standards that meet the requirements of paragraph (1) or after 3 years, a State does not have assessments that meet the requirements of paragraph (3), a State shall adopt a set of standards and aligned assessments such as the standards and assessments contained in other State plans that the Secretary has approved.

(8)(A) If a State does not have assessments that meet the requirements of paragraph (3), the State may propose to use an interim set of yearly statewide assessments that will assess the performance of complex skills and challenging subject matter.

(B) For any year during which a State is using an interim assessment system, the State shall devise a means for identifying schools and local educational agencies in need of improvement under section 1116.

(c) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall also describe—

(1)(A) the means by which the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools to carry out the State educational agency's responsibilities under this part, including assistance in providing high quality professional development under section 1119 and technical assistance under section 1117; and

(B)(i) where educational service agencies exist, the State educational agency shall consider providing professional development and technical assistance through such agencies; and

(ii) where educational service agencies do not exist, the State educational agency shall consider providing professional development and technical assistance through other cooperative agreements such as a consortium of local educational agencies;

(2) the measure of poverty that local educational agencies shall use which shall include such measures as the number of children age 5 to 7 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible to receive free and reduced price lunches under the National School Lunch Act, the number of children in families receiving assistance under Aid to Families With Dependent Children or the number of children eligible to receive medical assistance under the Medicaid program; or a composite of such indicators;

(3) how the State educational agency will notify local educational agencies of the authority to operate schoolwide programs, and fulfill its local educational agency and school improvement responsibilities under section 1116, including the corrective actions it will take under section 1116(d)(6);

(4) how the State educational agency will encourage the use of funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

(5) how the Committee of Practitioners established under section 1601 was substantially involved in the development of the plan and will continue to be involved in monitoring its implementation by the State;

(6) how the State educational agency will assess the needs of local educational agencies serving rural areas, and the plans the State educational agency has to meet those needs;

(7) how the State educational agency will assess the needs of local educational agencies serving rural areas and the plans the State educational agency has to meet those needs; and

(8) how the State educational agency will encourage the establishment and operation of cooperative education, mentoring, and apprenticeship programs, involving business and industry.

(d) PEER REVIEW AND SECRETARIAL APPROVAL.—The Secretary—

(1) shall establish a peer review process to assist in the review and revision of State plans;

(2) shall, following an initial peer review, approve a State plan the Secretary determines meets the requirements of subsections (a), (b), and (c);

(3)(A) shall, if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for it;

(B) shall not decline to approve a State's plan before offering the State an opportunity to revise its plan or application, provide technical assistance in order to assist the State to meet the requirements under subsections (a), (b), and (c) and a hearing; and

(C) may withhold funds until determining that the plan meets the requirements of this section, provided, however, that

the Secretary may not withhold funds on the basis of the specific content of the opportunity-to-learn standards adopted by a State under this section.

(e) Duration of the Plan.—(1) Each State plan shall—

(A) remain in effect for the duration of the State's participation under this part; and

(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State's strategies and programs under this part.

(2) If the State makes significant changes in its plan, such as the adoption of new content and performance standards, new assessments, or a new definition of adequate progress, the State shall submit this information to the Secretary for approval.

(f) Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or pupil performance standards and assessments, curriculum, or program of instruction as a condition of eligibility to receive funds under this title.

(g) Nothing in this title shall be construed to authorize an officer, or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific opportunity-to-learn standards as a condition of eligibility to receive funds under this title.

(h) If aggregate State expenditure by the State educational agency for operation of elementary and secondary education programs is less than the State educational agency's aggregate Federal allocation for State operation of all Federal elementary and secondary education programs, then the State plan for title I must include assurances and specific provisions for State expenditures for operation of elementary and secondary education programs to equal or exceed the level of Federal expenditures for such operation by fiscal year 1999.

SEC. 1112. LOCAL EDUCATIONAL AGENCY PLANS.

(a) Plans Required.—(1) A local educational agency may receive a subgrant under this part for any fiscal year only if it has on file with the State educational agency a plan, approved by the State educational agency, that—

(A)(i) is integrated with the local educational agency's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; and

(ii) is integrated with local plans, if any, under the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, to the extent that such plans have not already been incorporated into the local educational agency's plan under title III of the Goals 2000: Educate America Act; or

(B) if the local educational agency does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

(i) is integrated with other local plans under this Act and other plans, including those under the School-to-Work Op-

portunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, where such plans exist; and

(ii) satisfies the requirements of this section.

(2) The plan may be submitted as part of a consolidated application under section 9302.

(3) A local educational agency may satisfy all or part of the requirements of this section by referencing applicable sections of its approved plan under title III of the Goals 2000: Educate America Act.

(b) Standards and Assessment Provisions.—Each local educational agency plan shall include—

(1) a description of its challenging content and performance standards, if any, in the core subjects, in addition to the content and performance standards adopted by the State under section 1111, that the local educational agency expects children served under this title to meet;

(2) a description, based on the assessments described under paragraph (3), of what constitutes adequate yearly progress if a local educational agency elects to establish such measures that are more stringent than the measures described in the State plan under section 1111;

(3) a description of additional high-quality student assessments, if any, other than the assessments described in the State plan under section 1111, that the local educational agency and schools served under this part will use to—

(A) determine the success of children served under this title in meeting the State's performance standards;

(B) assist in diagnosis, teaching, and learning in the classroom in ways that best enable children served under this title to meet State standards and do well in the local curriculum; and

(C) determine what revisions are needed to projects under this part so that such children will meet the State's performance standards; and

(4) a description of the strategies the local educational agency will use to implement opportunity-to-learn standards for all students served under this title.

(c) Other Provisions To Support Teaching and Learning.—(1) To ensure high-quality instruction to enable participating children to meet the State's challenging performance standards expected of all students, each local educational agency plan shall describe a coherent strategy for intensive and sustained professional development for teachers, administrators, and other staff, including staff of such agency, in accordance with section 1119.

(2) Each local educational agency plan shall describe how the local educational agency will—

(A) notify schools of the authority to operate schoolwide programs;

(B) work in consultation with schools as the schools develop their plans pursuant to section 1114 or 1115 and assist schools as they implement such plans so that each school can make adequate yearly progress toward meeting the State's standards; and

(C) fulfill its school improvement responsibilities under section 1116, including the corrective actions it will take under section 1116(c)(5).

(3) To address the comprehensive needs of children served under this title, each local educational agency plan shall describe how the local educational agency will—

(A) coordinate and integrate services provided under this part with other educational services at the local educational agency or individual school level, including—

(i) Even Start, Head Start, and other preschool programs, including plans for the transition of participants in such programs to local elementary school programs, vocational education programs, and school-to-work transition programs; and

(ii) services for children with limited English proficiency or with disabilities, migratory children served under part C of this title or who were formerly eligible for services under part C in the 2-year period preceding the date of the enactment of this title, delinquent youth and youth at risk of dropping out served under part D of this title, homeless children, and immigrant children in order to increase program effectiveness, eliminate duplication, and reduce fragmentation of the children's instructional program;

(B) coordinate and collaborate with other agencies providing services to children, youth, and families, including health and social services.

(4) The local educational agency plan also shall include a description of—

(A) the poverty criteria that will be used to select school attendance areas under section 1113;

(B) the multiple criteria that will be used by targeted assistance schools under section 1115 to identify children eligible for services under this part;

(C) the nature of the programs to be conducted by its schools under sections 1114 and 1115 and services outside such schools for children in local institutions for neglected or delinquent children and eligible homeless children, in accordance in section 1115(b)(2)(D);

(D) how the local educational agency will ensure that migratory children and formerly migratory children who are eligible to receive services under this part are selected to receive such services on the same basis as other children who are selected to receive services under this part;

(E) how a school that plans to serve preschool children through the Head Start or Even Start programs will use its funds to expand such programs to serve preschool children from its attendance area that otherwise would not have been served or increase the level of service to children presently being served;

(F) how the local educational agency will provide services to eligible children attending private elementary and secondary schools in accordance with section 1120, and how timely and meaningful consultation with private school officials regarding such services will occur; and

(G) the number of schoolwide programs that will be operating in the local educational agency.

(d) PLAN DEVELOPMENT AND DURATION.—Each local educational agency plan shall—

(1) be developed in consultation with teachers, including vocational teachers, where appropriate, and parents of children in schools served under this part; and

(2)(A) remain in effect for the duration of the local educational agency's participation under this part; and

(B) periodically be reviewed and revised, as necessary, to reflect changes in the local educational agency's strategies and programs.

(e)(1) STATE APPROVAL.—The State educational agency shall approve a local educational agency's plan only if the State educational agency determines that the plan will enable schools served under this part to substantially help children served under this title to meet the State's challenging performance standards expected of all children.

(2) The State educational agency shall review the local educational agency's plan to determine if such agency's professional development activities are in accordance with section 1119.

(f) PROGRAM RESPONSIBILITY.—The local educational agency plan shall reflect the shared responsibility of schools, teachers, and the local educational agency in making decisions required under sections 1114 and 1115.

SEC. 1113. ELIGIBLE SCHOOL ATTENDANCE AREAS.

(a) IN GENERAL.—(1)(A)(i) A local educational agency shall use funds received under this part only in school attendance areas with high concentrations of children from low-income families, hereafter in this section referred to as "eligible school attendance areas".

(ii) For the purposes of this part—

(I) "school attendance area" means, in relation to a particular school, the geographical area in which the children who are normally served by such school reside; and

(II) "eligible school attendance area" means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families in the local educational agency as a whole.

(B) If funds allocated in accordance with subsection (c) are insufficient to serve all eligible school attendance areas, a local educational agency shall—

(i) annually rank, without regard to grade spans, its eligible school attendance areas in which the concentration of children from low-income families exceeds 75 percent from highest to lowest according to the percentage of children from low-income families; and

(ii) serve such eligible school attendance areas in rank order.

(C) If funds remain after serving all eligible school attendance areas under subparagraph (B), a local educational agency shall—

(i) annually rank its remaining eligible school attendance areas from highest to lowest either by grade span or for the entire local educational agency according to the percentage of children from low-income families; and

(ii) serve such eligible school attendance areas in rank order either within each grade-span grouping or within the local educational agency as a whole.

(2) The local educational agency shall use as the measure of poverty, the number of children ages 5–17 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible for free and reduced priced lunches under the National School Lunch Act, the number of children in families receiving assistance under Aid to Families with Dependent Children or the number of children eligible to receive medical assistance under the Medicaid program, or a composite of such indicators, with respect to all school attendance areas in the local educational agency—

(A) to identify eligible school attendance areas;

(B) to determine the ranking of each area; and

(C) to determine allocations under subsection (c).

(3) This subsection shall not apply to a local educational agency with a total enrollment of less than 1,000 children.

(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—Notwithstanding subsection (a)(1), a local educational agency may—

(1) designate as eligible any school attendance area or school in which at least 50 percent of the children are from low-income families;

(2) use funds received under this part in a school that is not in an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency; and

(3)(A) elect not to serve an eligible school attendance area or eligible school that has a higher percentage of children from low-income families if—

(i) the school meets the comparability requirements of section 1121(c);

(ii) the school is receiving supplemental funds from other State or local sources that are spent according to the requirements of section 1114 or 1115; and

(iii) the funds expended from such other sources equal or exceed the amount that would be provided under this part.

(B) Notwithstanding subparagraph (A), the number of children attending private elementary and secondary schools who are to receive services, and the assistance they are to receive under this part, shall be determined without regard to whether the public school attendance area in which such children reside is passed over under this paragraph.

(c) ALLOCATIONS.—(1) A local educational agency shall allocate funds received under this part to eligible school attendance areas or eligible schools, identified under subsection (a) or (b), in rank order, on the basis of the total number of children from low-income families in each area or school.

(2)(A) Except as provided in subparagraph (B), the per-pupil amount of funds allocated to each school attendance area or school under paragraph (1) shall be not less than 80 percent of the per-pupil amount of funds the local educational agency received for such year under sections 1124, 1124A, and 1125.

(B) A local educational agency may reduce the amount of funds allocated under subparagraph (A) for a school attendance area or school by the amount of any supplemental State and local funds expended in such school attendance area or school for programs that meet the requirements of section 1114 or 1115.

(3) A local educational agency shall reserve such funds as are necessary under this part to provide services comparable to the services provided to children in schools funded under this part to serve—

(A) homeless children in accordance with section 1115(b)(2)(D); and

(B) children in local institutions for delinquent children.

SEC. 1114. SCHOOLWIDE PROGRAMS.

(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—(1) A local educational agency may use funds under this part, in combination with other Federal, State, and local funds, to upgrade the entire educational program in an eligible school if, for the initial year of the schoolwide program, the school meets the following criteria:

(A) For the school year 1995–96—

(i) the school serves an eligible school attendance area in which at least 65 percent of the children are from low-income families; or

(ii) at least 65 percent of the children enrolled in the school are from such families.

(B) For school year 1996–97 and thereafter, the percentage requirement of clauses (i) and (ii) of subparagraph (A) shall be 60 percent.

(2) The provisions of paragraph (1) notwithstanding, a local educational agency may start new schoolwide programs only after the State educational agency provides written information to each local educational agency in the State that—

(A) demonstrates that such State agency has established the statewide system of support and improvement required by section 1117; and

(B) describes how such statewide system has the capability of providing on-site assistance if necessary to each eligible school, including a listing of school support teams and the eligible schools assigned to each such team.

(3) A schoolwide program school shall use such funds only to supplement the amount of funds that would, in the absence of funds under this part, be made available from non-Federal sources for the school, including funds needed to provide services that are required by law for children with disabilities and children with limited English proficiency.

(4) A school may use funds received under any noncompetitive, formula-grant program administered by the Secretary, excluding programs under the Individuals With Disabilities Education Act, and any discretionary program contained on a list (updated as necessary) issued by the Secretary to support a schoolwide program, notwithstanding any provision of the statute or regulations governing any such program.

(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—(1) A schoolwide program shall include the following components:

(A) A comprehensive needs assessment of the entire school that is based on information on the performance of children in relation to the State's standards.

(B) Schoolwide reform strategies that—

(i) provide opportunities for all children to meet the State's "proficient" and "advanced" performance standards expected of all children;

(ii) are based on research on effective means of improving the achievement of children;

(iii) use effective instructional strategies which may include the integration of vocational and academic learning (including applied learning and team teaching strategies) that increase the amount and quality of learning time, such as providing an extended school year and before- and after-school programs and opportunities, and help provide an enriched and accelerated curriculum rather than remedial drill and practice, and that incorporate gender-equitable methods and practices;

(iv) address the needs of all children in the school, but particularly the needs of low-achieving children, children with limited-English proficiency, children from migratory families, and children who are members of the target population of any program that is included in the schoolwide program, address how the school will determine if such needs have been met, describe the current program being offered to limited-English proficient students, and address how the school will build upon, expand, or coordinate the schoolwide program with the current program; and

(v) are consistent with, and are designed to implement, the State and local reform plans, if any, approved under title III of the Goals 2000: Educate America Act.

(C) Instruction by highly qualified professional staff.

(D) Intensive and sustained professional development for teachers, principals, and other staff, including aides, in accordance with section 1119, to enable all children in the school to meet the State's performance standards.

(E) Strategies to increase parental involvement, including family literary services.

(F) Plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs.

(G) Additionally, in schools serving children beyond grade six, in coordination with funds available from other programs and, as appropriate, drawing on private and public organizations—

(i) counseling and mentoring services;

(ii) college and career awareness, exploration, and preparation, such as college and career guidance, comprehensive career development, enhancement of employability and occupational skills, personal finance education, job placement services, and innovative teaching methods which may include applied learning and team teaching strategies; and

(iii) services to prepare students for the transition from school to work, including the formation of partnerships between elementary, middle, and secondary schools and local businesses, and the integration of school-based and work-based learning.

(2)(A) Any eligible school that desires to operate a schoolwide program shall first develop, in consultation with the local educational agency, a comprehensive plan for reforming the total instructional program in the school that—

(i) incorporates the components described in paragraph (1);

(ii) describes how the school will use resources under this part and from other sources to implement such components;

(iii) includes a list of State and local educational agency programs and other Federal programs under paragraph (a)(3) that will be included in the schoolwide program; and

(iv) describes how the school will provide individual student assessment results, including an interpretation of those results, to the parents of a child who participates in the assessment required by section 1111(b)(3).

(B) Plans developed before a State has adopted standards and a set of assessments that meet the criteria in section 1111(b) (1) and (3) shall be based on an analysis of available data on the achievement of students in the school and a review of the school's instructional practices in the context of available research on effective instructional and school improvement practices.

(C) The comprehensive plan shall be—

(i) developed during a one-year period, unless—

(I) the local educational agency, based on the recommendation of the technical assistance providers under section 1117, determines that less time is needed to develop and implement the schoolwide program; or

(II) the school is operating a schoolwide program at the time this section takes effect, in which case it may continue to operate such program, but shall develop a new plan during the first year to reflect the provisions of this section;

(ii) developed with the involvement of the community to be served and individuals who will carry it out, including teachers, principals, other staff, parents, and, if the plan relates to a secondary school, students from the school;

(iii) reviewed and revised, as necessary, by the school;

(iv) made available to parents and the public with the information contained in such plan translated, to the extent feasible, into any language that a significant percentage of the parents of participating children in the school speak as their primary language; and

(v) developed where appropriate in coordination with programs under the School-to-Work Opportunities Act, the Carl D. Perkins Vocational and Applied Technology Education Act, and the National and Community Service Trust Fund Act.

(c) ACCOUNTABILITY.—

(1) As provided in subsection (c) of section 1116, each schoolwide program shall be subject to school improvement for failure to make adequate progress for two consecutive years.

(2) A schoolwide program identified for school improvement under such subsection that has not made adequate progress by the third year following such identification shall forfeit its schoolwide status in addition to corrective actions, if any, taken by the local educational agency.

(3) A school that has forfeited its schoolwide status may not regain such status until such school shows improvement by making adequate progress for one year.

SEC. 1115. TARGETED ASSISTANCE SCHOOLS.

(a) IN GENERAL.—In all schools selected to participate under section 1113 that are ineligible for a schoolwide program, or that choose not to operate a schoolwide program, a local educational agency may use funds received under this part only for programs that provide services to eligible children identified as having the greatest need for special assistance.

(b) ELIGIBLE CHILDREN—(1)(A) The eligible population for services under this part is—

(i) children up to age 21 who are entitled to a free public education through grade 12; and

(ii) children who are not yet at a grade level where the local educational agency provides a free public education, yet are of an age at which they can benefit from an organized instructional program provided in a school or other educational setting.

(B) From the population described in subparagraph (A), eligible children are children identified by the school as failing, or most at risk of failing, to meet the State's challenging performance standards on the basis of multiple, educationally related, objective criteria established by the local educational agency and supplemented by the school, except that children from preschool through grade two shall be selected solely on the basis of such criteria as teacher judgment, interviews with parents, and developmentally appropriate measures.

(2)(A)(i) Children receiving services to overcome a disability or limited English proficiency are eligible for services under this part on the same basis as other children selected to receive services under this part.

(ii) Funds received under this part may not be used to provide services that are otherwise required by law to be made available to such children.

(B) A child who, at any time in the previous two years, participated in a Head Start, Even Start, or State-run preschool program shall be automatically eligible for services under this part;

(C)(i) A child who, at any time in the previous two years received services under the program for delinquent youth and youth at risk of dropping out under part D of this title (or its predecessor authority) may be eligible for services under this part.

(ii) Any child in a local institution for neglected or delinquent children or attending a community day program for such children is eligible for services under this part.

(D) A local educational agency shall use funds received under this part to serve eligible homeless children who attend a school in the local educational agency that receives funds under this title. To the extent feasible, a local educational agency shall use funds received

under this part to serve eligible homeless children who attend schools in noneligible attendance areas, including providing educationally related support services to children in shelters, where appropriate.

(c) COMPONENTS OF A TARGETED ASSISTANCE SCHOOL PROGRAM.—(1) To assist targeted assistance schools and local educational agencies to meet their responsibility to provide all students with the opportunity to meet the State's challenging performance standards, each targeted assistance program under this section shall—

(A) use its resources under this part to help participating children meet the challenging performance standards expected for all children;

(B) be based on research on effective means for improving achievement of children;

(C) use effective instructional strategies that—

(i) give primary consideration to providing extended learning time such as an extended school year and before- and after-school programs and opportunities;

(ii) involve an accelerated, high-quality curriculum, including applied learning, rather than remedial drill and practice; and

(iii) minimize removing children from the regular classroom for instruction provided under this part;

(D) be coordinated with and support the regular program in providing an enriched and accelerated curriculum for eligible children;

(E) provide instruction by highly qualified professional staff;

(F) provide opportunities for intensive and sustained professional development in accordance with section 1119 with resources under this part and from other sources for administrators and for teachers and other school staff who work with participating children in programs under this section or in the regular education program;

(G) provide strategies to increase parental involvement, including family literary services;

(H) provide plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs; and

(I) include, additionally, in schools serving children beyond grade six, in coordination with funds available from other programs and, as appropriate, drawing on private and public organizations—

(i) counseling and mentoring;

(ii) college and career awareness and preparation, such as college and career guidance, comprehensive career development, enhancement of employability skills, personal finance education, and job placement services; and

(iii) services to prepare students for the transition from school to work, including the formation of partnerships between elementary, middle, and secondary schools and local businesses.

(2)(A) Each school conducting a program under this section shall develop, in consultation with the local educational agency, a plan to assist participating children to meet the State's "proficient" and "advanced" performance standards that describes—

(i) the selection of children to participate in accordance with subsection (b);

(ii) the program to be conducted that incorporates the components described in paragraph (1) and how the resources provided under this part will be coordinated with other resources to enable the children served to meet the State's standards;

(iii) how the school will review, on an ongoing basis, the progress of participating children and revise the program, if necessary, to provide additional assistance to enable such children to meet the State's challenging performance standards such as an extended school year and before- and after-school programs and opportunities, training for teachers regarding how to identify students that require additional assistance, and training for teachers regarding how to implement performance standards in the classroom; and

(iv) if the school is eligible to operate a schoolwide program under section 1114, why it chose not to do so.

(B) Plans developed before a State has adopted standards and a set of assessments that meet the criteria of section 1111(b) (1) and (3) shall be based on an analysis of available data on the achievement of participating children and a review of the school's instructional practices in the context of available research on effective instructional practices.

(C) Each plan shall be—

(i) developed with the involvement of the community to be served and the individuals who will carry it out, including teachers, administrators, other staff, parents, representatives from business and industry, and, if the plan relates to a secondary school, students from the school;

(ii) approved by the local educational agency and made available to parents and the information contained therein translated, to the extent feasible, into any language that a significant percentage of the parents of participating children in the school speak as their primary language; and

(iii) reviewed and revised, as necessary, by the school.

(d) ASSIGNMENT OF PERSONNEL.—To promote the integration of staff paid with funds under this part and children served under this part into the regular school program and overall school planning and improvement efforts, public school personnel who are paid with funds received under this part may—

(1) assume limited duties that are assigned to similar personnel who are not so paid, including duties beyond classroom instruction or that do not benefit participating children so long as the amount of time spent on such duties is the same proportion of total work time as prevails with respect to similar personnel at the same school;

(2) participate in general professional development and school planning activities; and

(3) collaboratively teach with regular classroom teachers, so long as their efforts directly benefit participating children.

SEC. 1116. ASSESSMENT AND SCHOOL AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.

(a) LOCAL REVIEW.—Each local educational agency receiving funds under this part shall—

(1) use the State assessments described in the State plan and any additional measures described in the local educational agency's plan to review annually the progress of each school served under this part to determine whether the school is meeting, or making adequate progress as defined in section 1111(b)(2)(A)(i) or section 1112(b)(2), as appropriate, toward enabling its students to meet, the State's performance standards;

(2) review annually the progress of each school which receives funds under this title in meeting State opportunity-to-learn standards;

(3) publicize and disseminate to teachers, parents, students, and the community the results of the annual review under paragraphs (1) and (2) of all schools served under this part in individual school performance profiles that include disaggregated results as required by section 1111(b)(3)(G); and

(4) provide the results of the local annual review to schools so that they can continually refine the program of instruction to help all children in such schools to meet the State's high performance standards.

(b) DESIGNATION OF DISTINGUISHED SCHOOLS.—Each State educational agency and local educational agency receiving funds under this part shall designate distinguished schools in accordance with section 1117.

(c) SCHOOL IMPROVEMENT.—(1) A local educational agency shall identify for school improvement any school served under this part that—

(A) has been in program improvement under section 1021 of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as in effect before the effective date of the Improving America's Schools Act of 1994, for at least two consecutive school years prior to such date;

(B) has not made adequate progress as defined in the State's plan under section 1111(b)(2)(A)(i) or section 1112(b)(2), as appropriate, for two consecutive school years; or

(C) has failed to meet the criteria established by the State through its interim procedure under section 1111(b)(5)(C) for two consecutive years.

(2) A school shall not be identified for school improvement if virtually all its students meet the State's advanced performance standards.

(3)(A) Each school identified under paragraph (1) shall—

(i) in consultation with parents, the local educational agency, and, for schoolwide programs, the school support team, revise its school plan under section 1114 or 1115 in ways that have the greatest likelihood of improving the performance of participating children in meeting the State's performance standards; and

(ii) submit the revised plan to the local educational agency for approval.

(B) Before identifying a school for program improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which such identification would be based. If the school believes that its identification for school improvement would be in error, it may provide evidence to the local educational agency to support such belief.

(C) During the first year immediately following identification under paragraph (1), the school shall implement its revised plan.

(4) For each school identified under paragraph (1), the local educational agency shall make technical assistance available as the school determines why the school's plan failed to bring about increased achievement and develop and implement its revised plan. Such technical assistance may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or by an institution of higher education, a private nonprofit organization, an educational service agency, Federal technical assistance centers under part D of title II of this Act, or other entities with experience in helping schools improve achievement.

(5)(A) After providing technical assistance pursuant to paragraph (4) and other remediation measures, the local educational agency may take corrective action at any time against a school that has been identified under paragraph (1), but, during the third year following identification under paragraph (1), shall take such action against any school that still fails to make adequate progress.

(B) Corrective actions are those listed in the local educational agency plan adopted in compliance with State law, which may include decreasing decisionmaking authority at the school level, making alternative governance arrangements such as the creation of a charter school, reconstituting the school staff; and authorizing students to transfer, including paying transportation costs to other schools in the local educational agency.

(6) The State educational agency shall—

(A) make technical assistance under section 1117 available to the schools furthest from meeting the State's standards, if requested by the school or local educational agency; and

(B) if it determines that a local educational agency failed to carry out its responsibility under paragraphs (4) and (5), take such corrective actions that it deems appropriate.

(7) Schools that for at least two of the three years following identification under paragraph (1) make adequate progress toward meeting the State's "proficient" and "advanced" performance standards no longer need to be identified for school improvement.

(d) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—(1) A State educational agency shall—

(A) annually review the progress of each local educational agency receiving funds under this part to determine whether all students in schools receiving assistance under this part are making adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, toward meeting the State's performance standards; and

(B) publicize and disseminate to teachers, parents, students, and the community the results of the State review, including disaggregated results, as required by section 1111(b)(3)(G).

(2) In the case of a local educational agency that for three consecutive years has a school or schools receiving assistance under this part which have exceeded the State's definition of adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, the State may make institutional and individual rewards of the kinds described for individual schools in subsection 1117(c)(2)(B).

(3) A State educational agency shall identify for improvement any local educational agency that—

(A) for two consecutive years, has a school or schools receiving assistance under this part that are not making adequate progress as defined in section 1111(b)(2)(A)(ii) or section 1112(b)(2), as appropriate, toward meeting the State's performance standards; or

(B) has failed to meet the criteria established by the State through its interim procedure under section 1111(b)(8)(A) for two consecutive years.

(4) Each local educational agency identified under paragraph (3) shall, in consultation with schools, parents, and educational experts, revise its local educational agency plan under section 1112 in ways that have the greatest likelihood of improving the performance of its schools in meeting the State's performance standards.

(5) For each local educational agency identified under paragraph (3), the State educational agency shall—

(A) determine why the local educational agency's plan failed to bring about increased achievement;

(B) provide technical assistance, if requested, as authorized under section 1117 to better enable the local educational agency to develop and implement its revised plan and work with schools needing improvement; and

(C) make available to the local educational agencies furthest from meeting the State's standards, if requested, assistance under section 1117.

Technical assistance under subparagraph (B) may be provided by the State educational agency directly, or by an institution of higher education, a private nonprofit organization, an educational service agency or other local consortium, a technical assistance center, or other entities with experience in assisting local education agencies improve achievement.

(6)(A) After providing technical assistance pursuant to paragraph (5) and other remediation measures, the State educational agency may take corrective action at any time against a local educational agency that has been identified under paragraph (3), but, during the fourth year following identification under paragraph (3), shall take such action against any local educational agency that still fails to make adequate progress.

(B) Corrective actions are those listed in the State educational agency plan adopted in compliance with State law, which may include reconstitution of district personnel, appointment by the State educational agency of a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board, removal of particular schools from the jurisdiction of the local educational agency and establishment of alternative arrangements for governing and supervising such schools, the aboli-

tion or restructuring of the local educational agency, and the authorizing of students to transfer from 1 local educational agency to another.

(7) Local educational agencies that for at least two of the three years following identification under paragraph (3) make adequate progress toward meeting the State's standards no longer need to be identified for local educational agency improvement.

(e) STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—From the amount appropriated under section 1002(6) for any fiscal year, each State shall be eligible to receive an amount that bears the same ratio to the amount appropriated as the amount allocated to the State under sections 1124, 1124A, and 1125 bears to the total amount allocated to all States under such sections, except that each State shall receive at least $180,000, or $30,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Marianas, and Palau (until the Compact of Free Association goes into effect).

SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

(a) SYSTEM FOR SUPPORT.—(1) Each State educational agency shall establish a statewide system of intensive and sustained support and improvement for schools receiving funds under this title, including all schoolwide programs and all schools in need of program improvement, in order to increase the opportunity for all students in such schools to meet the State's content and performance standards and opportunity-to-learn standards.

(2) Funds appropriated pursuant to section 1002(6) shall be used to meet the requirements of this section. In addition and notwithstanding section 1002(1), a State or local educational agency may use funds made available under section 1002(1) and other available funds to meet such requirements.

(b) REGIONAL CENTERS.—Such a statewide system shall be linked to and receive support and assistance from the regional technical assistance centers authorized under part D of title II and the regional labs authorized under section 205 of the General Education Provisions Act.

(c) PROVISIONS.—The system shall include at a minimum the following:

(1) SCHOOL SUPPORT TEAMS.—

(A) Each State, in consultation with local educational agencies, shall establish a system of school support teams to provide information and assistance to each schoolwide program and to assist such program in providing an opportunity to all students to meet the State's performance standards.

(B) Each such team shall be composed of individuals with experience in successfully improving the educational opportunities for low achieving students, especially individuals identified in paragraph (3), and individuals knowledgeable about research and practice on teaching and learning, including alternative and applied learning, especially for low achieving students.

(C) A school support team shall work with each school as it develops its schoolwide program plan, review each plan,

and make recommendations to the school and the local educational agency.

(D) During the operation of the schoolwide programs, a school support team shall periodically review the progress of the school in enabling children in the school to meet the State's performance standards, identify problems in the design and operation of the instructional program, and make suggestions for the improvement to the school and the local educational agency.

(2) DISTINGUISHED SCHOOLS.—

(A) Each State shall designate as a distinguished school any school served under this part which, for 3 consecutive years, has exceeded the State's definition of adequate progress as defined in section 1111(b)(2), and, any school in which virtually all students have met the State's advanced performance standards and in which equity in participation and achievement of students by sex has been achieved or significantly improved.

(B) Schools designated under this paragraph may serve as models and provide support to other schools, especially schoolwide programs and schools in program improvement, to assist such schools in meeting the State's performance standards.

(C) States shall use funds available under section 1002(6) to allow schools identified under this paragraph to carry out the activities described in subparagraph (B) and may use such funds to provide awards to such schools to further their education programs under this part, provide additional incentives for continued success, and reward individuals or groups in the school for exemplary performance.

(D) A local educational agency may also recognize the success of a distinguished school by providing additional institutional and individual rewards, such as greater decisionmaking authority at the school building level, increased access to resources or supplemental services such as summer programs that may be used to sustain or increase success, additional professional development opportunities, opportunities to participate in special projects, and individual financial bonuses.

(3) DISTINGUISHED EDUCATORS.—

(A) In order to provide assistance to schools and local educational agencies identified as needing improvement or schoolwide programs, each State, in consultation with local educational agencies and using funds available under section 1002(6), shall establish a corps of distinguished educators.

(B) When possible, distinguished educators shall be chosen from schools served under this part that have been especially successful in enabling children to meet or make outstanding progress toward meeting the State's performance standards, such as the schools described in paragraph (2).

(C) Distinguished educators shall provide, as part of the statewide system, intensive and sustained assistance to the

schools and local educational agencies furthest from meeting the State's standards and schoolwide programs as they develop and implement their plans, including participation in the support teams described in paragraph (1).

(d) In order to implement this section, funds under section 1002(6) may be used by a State for release time for teachers and administrators, travel, training, and other related costs.

(e) ALTERNATIVES.—If a State has devised alternative or additional approaches to providing the assistance described in paragraphs (1) and (3) of subsection (c), such as providing assistance through institutions of higher education and educational service agencies or other local consortia, the State may seek approval from the Secretary to use funds authorized in section 1002(6) for such approaches as part of the State plan.

SEC. 1118. PARENTAL INVOLVEMENT.

(a) IN GENERAL.—A local educational agency may receive funds under this part only if it implements programs, activities, and procedures for the involvement of parents in programs assisted under this title. Such activities shall be planned and implemented with meaningful consultation with parents of participating children.

(b) LOCAL EDUCATIONAL AGENCY POLICY.—(1) Each local educational agency that receives funds under this part shall develop jointly with, and make available to, parents of participating children a written parental involvement policy that is incorporated into the local educational agency's plan developed under section 1112, establishes the expectations for parental involvement, and describes how the local educational agency will—

(A) involve parents in the development of the plan described under section 1112, and the process of school review and improvement described under section 1116;

(B) provide the coordination, technical assistance, and other support necessary to assist participating schools in planning and implementing effective parent involvement;

(C) build the schools' and parents' capacity for strong parent involvement as described in subsection (f);

(D) coordinate and integrate parental involvement strategies in this part with parental involvement strategies under other programs, including Head Start, Even Start, and State-run preschool programs;

(E) conduct, with the involvement of parents, an annual evaluation of the content and effectiveness of the parental involvement policy developed under this section in increasing the participation of parents to identify barriers to greater participation by parents in activities authorized by this section, giving particular attention to parents who are economically disadvantaged, are disabled, have limited-English proficiency, have limited literacy, or are of any racial or ethnic minority background and use the findings of such reviews in designing strategies for school improvement.

(2) If the local educational agency has an agency-wide parental involvement policy that applies to all parents, it may amend such policy, if necessary, to meet the requirements of this subsection.

(3) Each local educational agency shall reserve not less than 1 percent of its allocation under this part for the purposes of carrying out this section, including family literacy and parenting skills.

(c) SCHOOL PARENTAL INVOLVEMENT PLAN.—(1) Each school served under this part shall jointly develop with, and make available to, parents of participating children a written parental involvement plan that shall be incorporated into the school plan developed under section 1114 or 1115 and shall describe the means for carrying out the requirements of subsections (c) through (f).

(2) If the school has a parental involvement policy that applies to all parents, it may amend such policy, if necessary, to meet the requirements of this subsection.

(d) POLICY INVOLVEMENT.—Each school served under this part shall—

(1) convene an annual meeting, at a convenient time, to which all parents of participating children shall be invited and encouraged to attend, to inform parents of the school's participation under this part and to explain this part, its requirements, and the parent's right to be involved;

(2) involve parents, in an organized, ongoing, and timely way, in the planning, review, and improvement of programs under this part, including the development of the school plan under section 1114 or 1115 or if a school has in place a process for involving parents in the planning and design of its programs, the school may use such process, provided that the process includes an adequate representation of parents of participating children; and

(3) provide parents of participating children—

(A) timely information about programs under this part;

(B) school performance profiles required under section 1116(a)(2) and individual student assessment results, including an interpretation of such results, required under section 1111(b)(3);

(C) opportunities for regular meetings to formulate suggestions, if such parents so desire; and

(D) timely responses to parents' recommendations.

(e) SHARED RESPONSIBILITIES FOR HIGH STUDENT PERFORMANCE.—As a component of the school-level parental involvement plan developed under subsection (b), each school served under this part shall jointly develop with parents for all children a school-parent compact that outlines how parents, the entire school staff, and students will share the responsibility for improved student achievement and the means by which the school and parents will build and develop a partnership to help children achieve the State's high standards. Such compact shall—

(1) describe the school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enable the children to meet the State's challenging performance standards, and the ways in which each parent will be responsible for supporting his or her children's learning, including monitoring attendance, homework completion, television watching, and positive use of extracurricular time; and

(2) address the importance of communication between teachers and parents on an ongoing basis through at a minimum—

(A) parent-teacher conferences in elementary schools, at least annually, during which the compact shall be discussed as it relates to the individual child's achievement;

(B) frequent reports to parents on their children's progress; and

(C) reasonable access to staff and observation of classroom activities.

(f) BUILDING CAPACITY FOR INVOLVEMENT.—To ensure effective involvement of parents and to support a partnership among the school, parents, and the community to improve student achievement, each school and local educational agency—

(1) shall provide assistance to participating parents in such areas as understanding the National Education Goals, the State's content and performance standards, opportunity-to-learn standards, State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children;

(2) shall provide materials and training, including—

(A) coordinating necessary literacy training from other sources to help parents work with their children to improve their children's achievement; and

(B) training to enable parents to work more effectively with teachers, schools, and school systems;

(3) shall educate teachers, principals, and other staff in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between home and school;

(4) shall develop appropriate roles for community-based organizations and businesses in parent involvement activities, including providing information about opportunities for them to work with parents and schools, and encouraging the formation of partnerships between elementary, middle, and secondary schools and local businesses that include a role for parents;

(5) shall ensure, to the extent possible, that information related to school and parent programs, meetings, and other activities is sent to the homes of participating children in the language used in such homes;

(6) shall involve parents in the development of training for teachers, principals, and other educators for the purpose of improving the effectiveness of such training in improving instruction and services to the children of such parents;

(7) may provide necessary literacy training from funds received under this part if the local educational agency has exhausted all other reasonably available sources of funding for such activities;

(8) may pay reasonable and necessary expenses associated with local parental involvement activities, including transportation and child care costs to enable parents to participate in school-related meetings and training sessions;

(9) may coordinate and integrate parent involvement programs and activities with Head Start, Even Start, and State-run preschool programs;

(10) may train and support parents to enhance the involvement of other parents;

(11) may arrange meetings at a variety of times, such as in the mornings and evenings in order to maximize opportunities of parents to participate in school related activities;

(12) may arrange for teachers or other educators, who work directly with participating children, to conduct in-home conferences with parents who are unable to attend such conferences at school; and

(13) may adopt and implement model approaches to improving parental involvement such as Even Start.

(g) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools shall, to the extent practicable, ensure that parents of limited-English proficient children or disabled children are afforded the same access to parental involvement opportunities as their children are afforded to other programs funded under this part, including the provision of information in a language and form that the parents of such children can understand.

SEC. 1119. PROFESSIONAL DEVELOPMENT.

(a) PROGRAM REQUIREMENTS.—(1) Local educational agencies receiving assistance under this part shall provide high-quality, sustained professional development that will improve the teaching of the core academic subjects, consistent with the State content standards, in order to enable all children to meet the State's performance standards.

(2) Professional development activities shall be designed by teachers and other school staff in schools receiving assistance under this part.

(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

(1) Professional development activities shall—

(A) support instructional practices that are geared to challenging State content standards and create a school environment conducive to high achievement in the core academic subjects;

(B) support local educational agency plans under section 1112 and school plans under sections 1114 and 1115;

(C) draw on resources available under this part, title III of the Goals 2000: Educate American Act, part A of title II of this Act, and from other sources;

(D) where appropriate, include strategies for developing curricula and teaching methods that integrate academic and vocational instruction (including applied learning and team teaching strategies); and

(E) include strategies for identifying and eliminating gender and racial bias in instructional materials, methods, and practices.

(2) Professional development activities may include—

(A) instruction in the use of assessments;

(B) instruction in ways that teachers, principals and school administrators may work more effectively with parents;

(C) the forming of partnerships with institutions of higher education to establish school-based teacher training programs that provide prospective teachers and novice teachers with an opportunity to work under the guidance of experienced teachers and college faculty;

(D) instruction in the use of technology;

(E) the creation of career ladder programs for paraprofessionals (assisting teachers under this part) to obtain the education necessary for them to become licensed and certified teachers;

(F) instruction in ways to teach special needs children;

(G) instruction in gender-equitable education methods, techniques, and practices;

(H) joint professional development activities involving programs under this part, Head Start, Even Start, or State-run preschool program personnel; and

(I) instruction in experiential-based teaching methods such as service learning.

(c) PROGRAM REQUIREMENTS.—Programs should be designed so that—

(1) all school staff in schoolwide program schools can participate in professional development activities;

(2) all school staff in targeted assistance schools may participate in professional development activities if such participation will result in better addressing the needs of students served under this part.

(d) PARENTAL PARTICIPATION.—Parents may participate in professional development activities under this part if the school determines that parental participation would be appropriate.

(e) CONSORTIA.—In carrying out such professional development programs, local educational agencies may provide such services through consortia arrangements with other local educational agencies, educational service agencies or other local consortia, institutions of higher education or other public or private institutions or organizations.

(f) EFFECTIVE TEACHING STRATEGIES.—Knowledge of effective teaching strategies that is gained through professional development activities under this section may be shared with teachers who are not participating in schoolwide or targeted assistance programs under this part.

(g) COMBINATIONS OF FUNDS.—Funds provided under this part that are used for professional development purposes may be combined with funds provided under part A of title II of this Act, title III of the Goals 2000: Educate America Act, and other sources.

(h)(1) The State educational agency shall review the local educational agency's plan to determine if such agency's professional development activities—

(A) are tied to challenging State student content and performance standards and opportunity-to-learn standards;

(B) reflect recent research on teaching and learning;

(C) are of sufficient intensity and duration to have a positive impact on the teacher's performance in the classroom;

(D) are part of the everyday activities of the school and create an orientation toward continuous improvement in the classroom or throughout the school;

(E) include methods to teach children with special needs;

(F) are developed with the extensive participation of teachers; and

(G) include gender-equitable education methods, techniques, and practices.

(2) If a local educational agency's plan for professional development does not meet such criteria, the State educational agency shall assist such local educational agencies in making progress toward inclusion of such elements in the local educational agency's professional development activities.

(i) Instructional Aides.—(1) If a local educational agency uses funds received under this part to employ instructional aides, the local educational agency shall ensure that such aides—

(A) possess the knowledge and skills sufficient to assist participating children in meeting the educational goals of this part;

(B)(i) have a high school diploma, a General Education Development certificate, or earn either within 2 years of employment, except that

(ii) a local educational agency may employ an instructional aide that does not meet the requirement in clause (i) if such aide possesses proficiency in a language other than English that is needed to enhance the participation of children in programs under this part; and

(C) are under the direct supervision of a teacher who has primary responsibility for providing instructional services to eligible children.

(2) Local educational agencies receiving funds under this part shall include instructional aides in professional development activities.

SEC. 1120. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) General Requirement.—(1) To the extent consistent with the number of eligible children identified under section 1115(b) in a local educational agency who are enrolled in private elementary and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment).

(2) The educational services or other benefits, including materials and equipment, must be secular, neutral, and nonideological.

(3) Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part.

(4) Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on

the number of children from low-income families who attend private schools.

(5) The local educational agency may provide such services directly or through contracts with public and private agencies, organizations, and institutions.

(b) Public Control of Funds.—(1) The control of funds provided under this part, and title to materials, equipment, and property purchased with such funds, shall be in a public agency, and a public agency shall administer such funds and property.

(2)(A) The provision of services under this section shall be provided—

(i) by employees of a public agency; or

(ii) through contract by such public agency with an individual, association, agency, or organization.

(B) In the provision of such services, such employee, person, association, agency, or organization shall be independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency.

(c) Standards for a Bypass.—If a local educational agency is prohibited by law from providing for the participation on an equitable basis of eligible children enrolled in private elementary and secondary schools or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for such participation, as required by this section, the Secretary shall—

(1) waive the requirements of this section for such local educational agency; and

(2) arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections 9505 and 9506 of this Act.

(d) Capital Expenses.—(1)(A) From the amount appropriated for this subsection under section 1002(5) for any fiscal year, each State is eligible to receive an amount that bears the same ratio to the amount so appropriated as the number of private school children who received services under this part in the State in the most recent year for which data satisfactory to the Secretary are available bears to the number of such children in all States in that same year.

(B) The Secretary shall reallocate any amounts allocated under subparagraph (A) that are not used by a State for the purpose of this subsection to other States on the basis of their respective needs, as determined by the Secretary.

(2)(A) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with this subsection.

(B) State educational agencies shall distribute such funds to local educational agencies based on the degree of need set forth in their respective applications.

(3) Any funds appropriated to carry out this subsection shall be used only for capital expenses incurred to provide equitable services for private school children under this section.

(4) For the purpose of this subsection, the term "capital expenses" is limited to—

(A) expenditures for noninstructional goods and services, such as the purchase, lease, or renovation of real and personal property, including, but not limited to, mobile educational units and leasing of neutral sites or spaces;

(B) insurance and maintenance costs;

(C) transportation; and

(D) other comparable goods and services.

SEC. 1121. FISCAL REQUIREMENTS.

(a) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under this part for any fiscal year only if the State educational agency finds that the local educational agency has maintained its fiscal effort in accordance with section 9501 of this Act, including such effort for professional development activities.

(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—(1)(A) Except as provided in subparagraph (B), a State or local educational agency shall use funds received under this part only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs assisted under this part, and not to supplant such funds.

(B) For the purpose of complying with subparagraph (A), a State or local educational agency may exclude supplemental State and local funds expended in any eligible school attendance area or school for programs that meet the requirements of section 1114 or 1115.

(2) No local educational agency shall be required to provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate its compliance with paragraph (1).

(c) COMPARABILITY OF SERVICES.—(1)(A) Except as provided in paragraphs (4) and (5), a local educational agency may receive funds under this part only if State and local funds will be used in schools served under this part to provide services that, taken as a whole, are at least comparable to services in schools that are not receiving funds under this part.

(B) If the local educational agency is serving all of its schools under this part, such agency may receive funds under this part only if it will use State and local funds to provide services that, taken as a whole, are substantially comparable in each school.

(C) A local educational agency may meet the requirements of subparagraphs (A) and (B) on a grade-span by grade-span basis or a school-by-school basis.

(2)(A) To meet the requirements of paragraph (1), a local educational agency shall demonstrate that—

(i) expenditures per pupil from State and local funds in each school served under this part are equal to or greater than the average expenditures per pupil in schools not receiving services under this part; or

(ii) instructional salaries per pupil from State and local funds in each school served under this part are equal or greater than the average instructional salaries per pupil in schools not receiving services.

(B) A local educational agency need not include unpredictable changes in student enrollment or personnel assignments that occur

after the beginning of a school year in determining comparability of services under this subsection.

(3) Each local educational agency shall—

(A) develop procedures for compliance with this subsection; and

(B) maintain records that are updated biennially documenting its compliance.

(4) This subsection shall not apply to a local educational agency that does not have more than one building for each grade span.

(5) For the purpose of determining compliance with paragraph (1), a local educational agency may exclude State and local funds expended for—

(A) bilingual education for children of limited English proficiency; and

(B) excess costs of providing services to children with disabilities.

Subpart 2—Allocations

SEC. 1122. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a), the Secretary shall reserve a total of 1 percent to provide assistance to—

(1) the outlying areas on the basis of their respective need for such assistance according to such criteria as the Secretary determines will best carry out the purpose of this part; and

(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (b).

(b) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

(1) The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

(A) Indian children on reservations served by elementary and secondary schools for Indian children operated or supported by the Department of the Interior; and

(B) out-of-State Indian children in elementary and secondary schools in local educational agencies under special contracts with the Department of the Interior.

(2) From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary of Education determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

(B) 48 percent of such expenditure in the United States.

SEC. 1123. ALLOCATIONS TO STATES.

(a) GENERAL.—For each fiscal year, an amount of the appropriations for this part equal to the appropriation for fiscal year 1994 for

part A of chapter 1, title I, Elementary and Secondary Education Act, shall be allocated in accordance with sections 1124 and 1124A. Any additional appropriations for this part for any fiscal year, after application of the preceding sentence, shall be allocated in accordance with section 1125.

(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

(1) If the sums available under this part for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

(2) If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

(c) HOLD-HARMLESS AMOUNTS.—Notwithstanding subsection (b), the total amount made available to each local educational agency under each of sections 1124 and 1125 for any fiscal year shall be at least 85 percent of the total amount such local educational agency was allocated under such sections (or, for fiscal year 1995, their predecessor authorities) for the preceding fiscal year.

(d) DEFINITION.—For the purpose of this section and sections 1124 and 1125, the term State means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) AMOUNT OF GRANTS.—

(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

(A) The grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in section 1126), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States. For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total population of fewer than 20,000 persons, the State education agency may either (I) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (II) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants

under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflect the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

(B) If, and only if; there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to section 1126, the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Secretary.

(C) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per pupil expenditure of any of the 50 States. The grant which the Commonwealth of Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

(i) the percentage determined under the preceding sentence; and

(ii) 32 percent of the average per pupil expenditure in the United States.

(2) DEFINITION.—For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau.

(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if the number of children counted under subsection (c) in the school district of such local educational agency is at least 10.

(c) CHILDREN TO BE COUNTED.—

(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A),

(B) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and

(C) the number of children aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children (other than such institutions operated by the United States) or attending community day programs for such children, but not counted pursuant to subpart 3 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

(2) DETERMINATION OF NUMBER OF CHILDREN.—

(A) For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (as produced and published under section 181a of title 13, United States Code). If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if it were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which shall distribute to schools in each county within it a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant. If the Department of Commerce has updated data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use the updated data. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those

criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

(B) For purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of 4 in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

(C) When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(d) State Minimum.—

(1) The aggregate amount allotted for all local educational agencies within a State may not be less than one-quarter of 1 percent of the total amount available for such fiscal year under this section.

(2)(A) No State shall, by reason of the application of the provisions of paragraph (1) of this subsection, be allotted more than—

(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

(ii) the amount calculated under subparagraph (B), whichever is less.

(B) For the purpose of subparagraph (A)(ii), the amount for each State equals—

(i) the number of children in such State counted under subsection (c) in the fiscal year specified in subparagraph (A), multiplied by

(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

(1)(A) Except as otherwise provided in this paragraph, each local educational agency, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau, which is eligible for a grant under this part for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

(i) the number of children counted under section 1124(c) of this part in the local educational agency for the preceding fiscal year exceeds 6,500, or

(ii) the number of children counted under section 1124(c) exceeds 15 percent of the total number of children aged five to seventeen, inclusive, in the local educational agency in that fiscal year.

(B) Except as provided in subparagraph (C), no State described in subparagraph (A) shall receive less than—

(i) one-quarter of 1 percent of the sums appropriated under paragraph (6) of this section for such fiscal year; or

(ii) $250,000, whichever is higher.

(C) No State shall, by reason of the application of the provisions of subparagraph (B)(i) of this paragraph, be allotted more than—

(i) 150 percent of the amount that the State received in the fiscal year preceding the fiscal year for which the determination is made, or

(ii) the amount calculated under subparagraph (D), whichever is less.

(D) For the purpose of subparagraph (C), the amount for each State equals—

(i) the number of children in such State counted for purposes of this section in the fiscal year specified in subparagraph (B), multiplied by

(ii) 150 percent of the national average per pupil payment made with funds available under this section for that year.

(2) For each local educational agency eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

(A) the greater of—

(i) the number of children in excess of 6,500 counted under section 1124(c) for the preceding fiscal year, in

a local educational agency which qualifies on the basis of subparagraph (A)(i) of paragraph (1); or

(ii) the number of children counted under section 1124(c) for the preceding fiscal year in a local educational agency which qualifies on the basis of subparagraph (A)(ii) of paragraph (1); and

(B) the quotient resulting from the division of the amount determined for those agencies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for the preceding fiscal year.

(3) The amount of the additional grant to which an eligible local educational agency is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount reserved under paragraph (6) for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

(4) For the purposes of this section, the Secretary shall determine the number of children counted under section 1124(c) for any local educational agency, and the total number of children aged 5 to 17, inclusive, in local educational agencies, on the basis of the most recent satisfactory data available at the time the payment for such local educational agency is determined under section 1124.

(5)(A) For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State education agency may either (i) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (ii) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons and meeting the eligibility criteria of paragraph (1)(A). If a local educational agency serving an area with total population of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are

sufficiently reliable to be used to determine final grants to such areas meeting the eligibility criteria of paragraph (1)(A).

(B) If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5 to 17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. In such cases, subject to section 1126, the grant for any local educational agency in such an area of a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Secretary.

(b) RESERVATION OF FUNDS.—Of the total amount of funds available for sections 1124 and 1124A, 10 percent of the amount appropriated for that fiscal year shall be available to carry out this section.

(c) RATABLE REDUCTION RULE.—If the sums available under subsection (b) for any fiscal year for making payments under this section are not sufficient to pay in full the total amounts which all States are entitled to receive under subsection (a) for such fiscal year, the maximum amounts which all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency under subsection 1124(c), before application of the weighting factor, is at least 10.

(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—(1) The amount of the grant that a local educational agency in a State or that the District of Columbia is eligible to receive under this section for any fiscal year shall be the product of—

(A) the number of children counted under subsection (c); and

(B) the amount in the second sentence of subparagraph 1124(a)(1)(A).

(2) For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under subsection (c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(1)(C).

(c) CHILDREN TO BE COUNTED.—

(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section shall be the number counted in subsection 1124(c) multiplied by the weighting factor for the local educational agency. The weighting factor shall be established on the basis of the percentage that the number of children counted under section 1124(c) represents of the total population aged 5–17 years in the local educational agency or the number of such children. Weighted pupil counts will be calculated based upon both percentage and number and the larger of the two counts will be used in calculating grants for each local educational agency. Weighting factors shall be assigned according to the following scale: if the percentage is greater than 0 but less than 14.265, the weighting factor shall be 1.00 for all children counted in section 1124(c); if the percentage is greater than 14.265 but less than 21.553, the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population and 1.50 for children counted under section 1124(c) in excess of 14.265 percent of the total school age population; if the percentage is greater than 21.553 percent but less than 29.223 percent, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, and 2.00 for children counted under section 1124(c) in excess of 21.553 percent of the total school age population; if the percentage is greater than 29.223 percent but less than 36.538 percent, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, 2.00 for a number of children counted under section 1124(c) equal to 7.67 percent of the total school age population, and 2.50 for children counted under section 1124(c) in excess of 29.223 percent of the total school age population; and if the percentage is greater than 36.538, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 14.265 percent of the total school age population, 1.50 for a number of children counted under section 1124(c) equal to 7.288 percent of the total school age population, 2.00 for a number of children counted under section 1124(c) equal to 7.67 percent of the total school age population, 2.50 for a number of children counted in section 1124(c) equal to 7.315 percent of the total school age population, and 3.00 for children counted in section 1124(c) in excess of 36.538 percent of the total school age population. Separately, if the number of children counted under section 1124(c) is greater than 0 but less than 575, the weighting factor shall be 1.00 for all children counted in section 1124(c); if the number is greater than 575 but less than 1,870, the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, and 1.50 for children counted under section 1124(c) in excess of 575; if the number is greater than 1,870 but less than 6,910, then the weighting factor shall be

1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, and 2.00 for children counted under section 1124(c) in excess of 1,870; if the number is greater than 6,910 but less than 42,000 then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, 2.00 for a number of children counted under section 1124(c) equal to 5,040, and 2.50 for children counted under section 1124(c) in excess of 6,910; and if the number is greater than 42,000, then the weighting factor shall be 1.00 for a number of children counted in section 1124(c) equal to 575, 1.50 for a number of children counted under section 1124(c) equal to 1,295, 2.00 for a number of children counted under section 1124(c) equal to 5,040, 2.50 for a number of children counted in section 1124(c) equal to 35,090 and 3.00 for children counted in section 1124(c) in excess of 42,000. For the Commonwealth of Puerto Rico, the weighting factor shall be no greater than 1.62.

(d) LOCAL EDUCATIONAL AGENCY ALLOCATIONS.—For each local educational agency serving an area with a total population of at least 20,000 persons, the grant under this section shall be the amount determined by the Secretary. For local educational agencies serving areas with total populations of fewer than 20,000 persons, the State education agency may either (1) distribute to such local educational agencies grants under this section equal to the amounts determined by the Secretary; or (2) use an alternative method, approved by the Secretary, to distribute the share of the State's total grants under this section that is based on local educational agencies with total populations of fewer than 20,000 persons. Such an alternative method of distributing grants under this section among a State's local educational agencies serving areas with total populations of fewer than 20,000 persons shall be based upon population data that the State education agency determines best reflects the current distribution of children in poor families among the State's local educational agencies serving areas with total populations of fewer than 20,000 persons. If a local educational agency serving an area with total populations of less than 20,000 persons is dissatisfied with the determination of its grant by the State education agency, then it may appeal this determination to the Secretary. The Secretary must respond to this appeal within 45 days of receipt. If, and only if, there are portions of any of the States for which the Department of Commerce has not prepared data on the number of children, aged 5–17, from families below the poverty level for local educational agencies, then the Secretary shall use such data compiled for counties in those portions of the States, treating the counties as if they were local educational agencies. The Secretary shall consult with the Secretary of Commerce regarding whether available data on population for local educational agencies serving areas with total populations of fewer than 20,000 persons are sufficiently reliable to be used to determine final grants to such areas.

(d) STATE MINIMUM.—Notwithstanding any other provision of this section, from the total amount available for any fiscal year to

carry out this section, each State shall be allotted at least the lesser of—

(1) one quarter of one percent of such amount;

(2) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State's total number of children described in section 1124(c), without application of a weighting factor.

SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

(a) ALLOCATIONS FOR NEGLECTED OR DELINQUENT CHILDREN.—(1) If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected or delinquent children as described in subparagraph 1124(c)(1)(C), the State educational agency shall, if it assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 1124, 1124A, and 1125 that is attributable to such children.

(2) If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, and 1125 between and among the affected local educational agencies when—

(1) two or more local educational agencies serve, in whole or in part, the same geographical area; or

(2) a local educational agency provides free public education for children who reside in the school district of another local educational agency.

(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, and 1125 is more than such local agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

SEC. 1127. CARRYOVER AND WAIVER.

(a) LIMITATION ON CARRYOVER.—Notwithstanding section 412 of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

(b) WAIVER.—A State educational agency may, once every three years, waive the percentage limitation in subsection (a) if—

(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

(2) supplemental appropriations for this subpart become available.

(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than $50,000 under this subpart for any fiscal year.

PART B—EVEN START FAMILY LITERACY PROGRAMS

SEC. 1201. STATEMENT OF PURPOSE.

It is the purpose of this part to help break the cycle of poverty and illiteracy by improving the educational opportunities of the Nation's low-income families by integrating early childhood education, adult literacy or adult basic education, and parenting education into a unified family literacy program, to be referred to as "Even Start", that is implemented through cooperative projects that build on existing community resources to create a new range of services, that promotes achievement of the National Education Goals, and that assists children and adults from low-income families to achieve challenging State standards.

SEC. 1202. PROGRAM AUTHORIZED.

(a) RESERVATION FOR MIGRANT PROGRAMS, OUTLYING AREAS, INDIAN TRIBES, AND OTHER PURPOSES.—(1) In each fiscal year, the Secretary shall reserve not less than 5 percent of the amount appropriated under section 1002(b) of this title for programs, under such terms and conditions as the Secretary shall establish, that are consistent with the purpose of this part, and according to their relative needs, for—

(A) children of migratory workers;

(B) the outlying areas;

(C) Indian tribes and tribal organizations; and

(2) If the amount of funds made available under subsection (a) exceeds $4,600,000, the Secretary shall make a grant of sufficient size and for a period of sufficient duration to demonstrate the effectiveness of a family literacy program in a prison that houses women and their preschool age children and that has the capability of developing a program of high quality.

(b) RESERVATION FOR FEDERAL ACTIVITIES.—From amounts appropriated under section 1002(b), the Secretary may reserve not more than three percent of such amounts or the amount reserved for such purposes in the fiscal year 1994, whichever is greater, for purposes of—

(1) carrying out the evaluation required by section 1209; and

(2) providing, through grants or contracts, technical assistance, program improvement, and replication activities through eligible organizations.

(c) STATE ALLOCATION.—(1) After reserving funds under subsections (a) and (b), the Secretary shall allocate the remaining funds appropriated for this part to States, to be used in accordance with section 1203.

(2) Except as provided in paragraph (3), from the total amount available for allocation to States in any fiscal year, each State shall be eligible to receive a grant under paragraph (1) in an amount that bears the same ratio to such total amount as the amount allocated

to such State under section 1122 of this title bears to the total amount allocated under that section to all the States.

(3) No State shall receive less than $250,000 under paragraph (1) for any fiscal year.

(d) DEFINITIONS.*—For the purpose of this part—*

(1) the term "eligible entity" means a partnership composed of both—

(A) a local educational agency; and

(B) a nonprofit community-based organization, public agency, institution of higher education, or other public or private nonprofit organization of demonstrated quality;

(2) the terms "Indian tribe" and "tribal organization" have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act;

(3) the term "State" includes each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(4) the term "eligible organization" means any public or private nonprofit organization with a record of providing effective services to family literacy providers, such as the National Center for Family Literacy, Parents as Teachers, Inc., and the Home Instruction Program for Preschool Youngsters.

SEC. 1203. STATE PROGRAMS.

(a) STATE-LEVEL ACTIVITIES.*—Each State that receives a grant under section 1202(c)(1) may use not more than 5 percent for—*

(1) administrative costs; and

(2) the provision, through one or more subgrants or contracts, of access to technical assistance for program improvement and replication to eligible entities that receive subgrants under subsection (b).

(b) SUBGRANTS FOR LOCAL PROGRAMS.*—(1) Each State shall use the remainder of its grant to make subgrants to eligible entities to carry out Even Start programs.*

(2) No State shall award a subgrant under paragraph (1) for an amount less than $75,000.

SEC. 1204. USES OF FUNDS.

(a) IN GENERAL.*—In carrying out an Even Start program under this part, a recipient of funds under this part shall use such funds to pay the Federal share of the cost of providing family-centered education programs that involve parents and children, from birth through age 7, in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.*

(b) FEDERAL SHARE LIMITATION.*—(1)(A) Except as provided in paragraph (2), the Federal share under this part may not exceed—*

(i) 90 percent of the total cost of the program in the first year that that program receives assistance under this part or its predecessor authority;

(ii) 80 percent in the second such year;

(iii) 70 percent in the third such year;

(iv) 60 percent in the fourth such year; and

(v) 50 percent in any subsequent such year.

(B) The remaining cost of a program under this part may be provided in cash or in kind, fairly evaluated, and may be obtained from any source other than funds received under this title.

(2) The State educational agency may waive, in whole or in part, the cost-sharing requirement of paragraph (1) if an eligible entity—

(A) demonstrates that it otherwise would not be able to participate in the program under this part; and

(B) negotiates an agreement with the State educational agency with respect to the amount of the remaining cost to which the waiver would be applicable.

(3) Federal funds under this part may not be used for the indirect costs of an Even Start program, except that the Secretary may waive this limitation if a recipient of funds reserved under section 1202(a)(3) demonstrates to the Secretary's satisfaction that it otherwise would not be able to participate in the program under this part.

SEC. 1205. PROGRAM ELEMENTS.

Each Even Start program assisted under this part shall—

(1) include the identification and recruitment of families most in need of services provided under this part, as indicated by a low level of income, a low level of adult literacy or English language proficiency of the eligible parent or parents, and other need-related indicators;

(2) include screening and preparation of parents and children to enable them to participate fully in the activities and services provided under this part, including testing, referral to necessary counselling, other developmental and support services, and related services;

(3) be designed to accommodate the participants' work schedule and other responsibilities, including the provision of support services, when unavailable from other sources, necessary for participation, such as—

(A) scheduling and locating of services to allow joint participation by parents and children;

(B) child care for the period that parents are involved in the program provided under this part; and

(C) transportation for the purpose of enabling parents and their children to participate in programs authorized by this part;

(4) include high-quality instructional programs that promote adult literacy, empower parents to support the educational growth of their children, developmentally appropriate early childhood educational services, and preparation of children for success in regular school programs;

(5) include special training of staff, including child care staff, to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this part;

(6) provide and monitor integrated instructional services to participating parents and children through home-based programs;

(7) operate on a year-round basis, including the provision of some program services, either instructional or enrichment, or both, during the summer months;

(8) be coordinated with—

(A) programs assisted under other parts of this title and this Act;

(B) any relevant programs under the Adult Education Act, the Individuals With Disabilities Education Act, and the Job Training Partnership Act; and

(C) the Head Start program, volunteer literacy programs, and other relevant programs; and

(9) provide for an independent evaluation of the program.

SEC. 1206. ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—Except as provided in subsection (b), eligible participants in an Even Start program are—

(1) a parent or parents—

(A) who are eligible for participation in an adult basic education program under the Adult Education Act; or

(B) who are within the State's compulsory school attendance age range, so long as a local educational agency provides (or ensures the availability of) the basic education component required under this part; and

(2) the child or children, from birth through age seven, of any parent described in paragraph (1).

(b) ELIGIBILITY FOR CERTAIN OTHER PARTICIPANTS.—(1) Family members other than those described in subsection (a) may participate in program activities and services, when deemed by the program to serve the purpose of this part.

(2) Any family participating in a program under this part that becomes ineligible for such participation as a result of one or more members of the family becoming ineligible for such participation may continue to participate in the program until all members of the family become ineligible for participation, which—

(A) in the case of a family in which ineligibility was due to the child or children of such family attaining the age of eight, shall be in two years or when the parent or parents become ineligible due to educational advancement, whichever occurs first; and

(B) in the case of a family in which ineligibility was due to the educational advancement of the parent or parents of such family, shall be when all children in the family attain the age of eight.

SEC. 1207. APPLICATIONS.

(a) SUBMISSION.—To be eligible to receive a subgrant under this part, an eligible entity shall submit an application to the State educational agency in such form and containing or accompanied by such information as the State educational agency shall require.

(b) REQUIRED DOCUMENTATION.—Each application shall include documentation, satisfactory to the State educational agency, that the eligible entity has the qualified personnel needed—

(1) to develop, administer, and implement an Even Start program under this part; and

(2) to provide access to the special training necessary to prepare staff for the program, which may be offered by an eligible organization.

(c) PLAN.—Such application shall also include a plan of operation for the program which shall include—

(1) a description of the program goals;

(2) a description of the activities and services that will be provided under the program, including a description of how the program will incorporate the program elements required by section 1205;

(3) a description of the population to be served and an estimate of the number of participants;

(4) as appropriate, a description of the applicant's collaborative efforts with institutions of higher education, community-based organizations, the State educational agency, private elementary schools, or other eligible organizations in carrying out the program for which assistance is sought;

(5) a statement of the methods that will be used—

(A) to ensure that the programs will serve families most in need of the activities and services provided by this part;

(B) to provide services under this part to individuals with special needs, such as individuals with limited English proficiency and individuals with disabilities; and

(C) to encourage participants to remain in the program for a time sufficient to meet the program's purpose; and

(6) a description of how the plan—

(A)(i) is consistent with and promotes the goals of the State and local plans, either approved or being developed, under title III of the Goals 2000: Educate America Act; and

(ii) is consistent with the State and local plans under sections 1111 and 1112; or

(B) is consistent with the State and local plans under sections 1111 and 1112 if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan.

(d) The plan described in subsection (c)(6) may be submitted as part of a consolidated application under section 9302.

SEC. 1208. AWARD OF SUBGRANTS.

(a) SELECTION PROCESS.—(1) The State educational agency shall establish a review panel that will approve applications that—

(A) are most likely to be successful in meeting the purpose of this part, and in effectively implementing the program elements required under section 1205;

(B) demonstrate that the area to be served by such program has a high percentage or a large number of children and families who are in need of such services as indicated by high levels of poverty, illiteracy, unemployment, or limited English proficiency;

(C) provide services for at least a three-year age range, which may begin at birth;

(D) demonstrate the greatest possible cooperation and coordination between a variety of relevant service providers in all phases of the program;

(E) include cost-effective budgets, given the scope of the application;

(F) demonstrate the applicant's ability to provide the additional funding required by section 1204(b);

(G) are representative of urban and rural regions of the State; and

(H) show the greatest promise for providing models that may be adopted by other local educational agencies.

(2) The State educational agency shall give priority for subgrants under this subsection to proposals that either—

(A) target services primarily to families described in paragraph (1)(B); or

(B) are located in areas designated as empowerment zones or enterprise communities.

(b) REVIEW PANEL.—A review panel shall consist of at least three members, including one early childhood professional, one adult education professional, and one or more of the following individuals:

(1) A representative of a parent-child education organization.

(2) A representative of a community-based literacy organization.

(3) A member of a local board of education.

(4) A representative of business and industry with a commitment to education.

(5) An individual who has been involved in the implementation of programs under this title in the State.

(c) DURATION.—(1) Subgrants may be awarded for a period not to exceed four years.

(2) The State educational agency may provide a subgrantee, at the subgrantee's request, a 3- to 6-month start-up period during the first year of the four-year period, which may include staff recruitment and training, and the coordination of services, before requiring full implementation of the program.

(3)(A) In reviewing any application for a subgrant to continue a program for the second, third, or fourth year, the State educational agency shall review the progress being made toward meeting the objectives of the program after the conclusion of the start-up period, if any.

(B) The State educational agency may refuse to award a subgrant if such agency finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

(4)(A) An eligible entity that has previously received a subgrant under this part may reapply under the terms of this part for a second project period.

(B) During the second project period, the Federal share of the subgrant shall not exceed 50 percent in any year.

SEC. 1209. EVALUATION.

From funds reserved under section 1202(b)(1), the Secretary shall provide for an independent evaluation of programs under this part—

(1) to determine the performance and effectiveness of programs; and

(2) to identify effective Even Start projects that can be replicated and used in providing technical assistance to national, State, and local programs.

PART C—EDUCATION OF MIGRATORY CHILDREN

SEC. 1301. PROGRAM PURPOSE.

It is the purpose of this part to assist States to—

(1) support high-quality and comprehensive educational programs for migratory children to help reduce the educational disruptions and other problems that result from repeated moves;

(2) ensure that migratory children are provided with appropriate educational services (including supportive services) that address their special needs in a coordinated and efficient manner;

(3) ensure that migratory children have the opportunity to meet the same challenging performance standards that all children are expected to meet;

(4) design programs to help migratory children overcome educational disruption, cultural and language barriers, social isolation, various health-related problems, and other factors that inhibit their ability to do well in school, and to prepare these children to make a successful transition to postsecondary education or employment; and

(5) ensure that migratory children benefit from State and local systemic reforms.

SEC. 1302. PROGRAM AUTHORIZED.

In order to carry out the purpose of this part, the Secretary shall make grants to State educational agencies, or combinations of such agencies, to establish or improve, directly or through local operating agencies, programs of education for migratory children in accordance with this part.

SEC. 1303. STATE ALLOCATIONS.

(a) STATE ALLOCATIONS.—Each State (other than the Commonwealth of Puerto Rico) is entitled to receive under this part, for each fiscal year, an amount equal to—

(1) the sum of the estimated number of migratory children aged three through 21 who reside in the State full time and the full-time equivalent of the estimated number of migratory children aged three through 21 who reside in the State part time, as determined in accordance with subsection (e); multiplied by

(2) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, or more than 48 percent, of the average expenditure per pupil in the United States.

(b) ALLOCATION TO PUERTO RICO.—For each fiscal year, the amount for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to—

(1) the number of migratory children in Puerto Rico, determined under subsection (a)(1); multiplied by

(2) the product of—

(A) the percentage that the average expenditure per pupil in Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

(B) 32 percent of the average expenditure per pupil in the United States.

(c) Ratable Reductions; Reallocations.—(1)(A) If, after the Secretary reserves funds under section 1308(c), the amount appropriated to carry out this part for any fiscal year is insufficient to pay in full the amounts for which all States are eligible, the Secretary shall ratably reduce each such amount.

(B) If additional funds become available for making such payments for any fiscal year, the Secretary shall allocate such funds to States in amounts that the Secretary finds would best carry out the purpose of this part.

(2)(A) The Secretary shall further reduce the amount of any grant to a State under this part for any fiscal year if the Secretary determines, based on available information on the numbers and needs of migratory children in the State and the program proposed by the State to address such needs, that such amount exceeds the amount required under section 1304.

(B) The Secretary shall reallocate such excess funds to other States whose grants under this part would otherwise be insufficient to provide an appropriate level of services to migratory children, in such amounts as the Secretary determines are appropriate.

(d) Consortium Arrangements.—(1) In the case of a State that receives a grant of $1,000,000 or less under this section, the Secretary shall consult with the State educational agency to determine whether consortium arrangements with another State or other appropriate entity would result in delivery of services in a more effective and efficient manner.

(2) A State, irrespective of the amount of its allocation, may propose a consortium arrangement.

(3) The Secretary shall approve a consortium arrangement under paragraph (1) or (2) if the proposal demonstrates that the arrangement will—

(A) reduce administrative costs or program function costs for State programs; and

(B) make more funds available for direct services to add substantially to the welfare or educational attainment of children to be served under this part.

(e) Determining Numbers of Eligible Children.—In order to determine the estimated number of migratory children residing in each State for purposes of this section, the Secretary shall—

(1) use such information as the Secretary finds most accurately reflects the actual number of migratory children;

(2) as soon as feasible develop and implement a procedure for more accurately reflecting cost factors for different types of summer program designs which will be used to adjust the estimated number of children who reside in a State in order to reflect the number of migratory children who are served in summer programs (which may include intersession programs) in the State and the additional costs of operating such programs; and

(3) conduct an analysis of the options for adjusting the formula so as to better direct services to the child whose education has been interrupted.

SEC. 1304. STATE APPLICATIONS; SERVICES.

(a) Application Required.—Any State wishing to receive a grant under this part for any fiscal year shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(b) Program Information.—Each such application shall include—

(1) a description of how, in planning, implementing, and evaluating programs and projects under this part, the State and its operating agencies will ensure that the special educational needs of migratory children are identified and addressed through a comprehensive plan for needs assessment and service delivery that meets the requirements of section 1306, including, when feasible, recording the migratory status of such children and their average daily attendance on State student collection data;

(2) a description of the steps the State is taking to provide migratory students with the opportunity to meet the same challenging performance standards that all children are expected to meet;

(3) a description of how the State will use its funds to promote interstate and intrastate coordination of services for migratory children, including how, consistent with procedures the Secretary may require, it will provide for educational continuity through the timely transfer of pertinent school records, including information on health, when children move from one school to another, whether or not during the regular school year;

(4) a description of the State's priorities for the use of funds received under this part, and how they relate to the State's assessment of needs for services in the State;

(5) a description of how the State will determine the amount of any subgrants it will award to local operating agencies, taking into account the requirements of paragraph (1); and

(6) such budgetary and other information as the Secretary may require.

(c) Assurances.—Each such application shall also include assurances, satisfactory to the Secretary, that—

(1) funds received under this part will be used only—

(A) for programs and projects, including the acquisition of equipment, in accordance with section 1306(b)(1); and

(B) to coordinate such programs and projects with similar programs and projects within the State and in other States, as well as with other Federal programs that can benefit migratory children and their families;

(2) such programs and projects will be carried out in a manner consistent with the objectives of sections 1114, 1115(b) and (d), 1120, and 1121(b) and (c), and part F of this title;

(3) in the planning and operation of programs and projects at both the State and local operating agency level, there is appropriate consultation with parent advisory councils for programs lasting a school year, and that all such programs and projects are carried out, to the extent feasible, in a manner consistent with section 1118 of this title;

(4) in planning and carrying out such programs and projects, there has been, and will be, adequate provision for addressing the unmet education needs of preschool migratory children;

(5) the effectiveness of such programs and projects will be determined, where feasible, using the same approaches and standards that will be used to assess the performance of students, schools, and local educational agencies under part A of this title; and

(6) the State will assist the Secretary in determining the number of migratory children under section 1303(e), through such procedures as the Secretary may require.

(d) PRIORITY FOR SERVICES.—In providing services with funds received under this part, each recipient of such funds shall give priority to migratory children who are failing, or most at risk of failing, to meet the State's challenging performance standards, and whose education has been interrupted during the regular school year.

(e) CONTINUATION OF SERVICES.—Notwithstanding any other provision of this part—

(1) a child who ceases to be a migratory child during a school term shall be eligible for services until the end of such term;

(2) a child who is no longer a migratory child may continue to receive services for one additional school year, but only if comparable services are not available through other programs; and

(3) secondary school students who were eligible for services in secondary school may continue to be served through credit accrual programs until graduation.

SEC. 1305. SECRETARIAL APPROVAL; PEER REVIEW.

(a) SECRETARIAL APPROVAL.—The Secretary shall approve each State application that meets the requirements of this part.

(b) PEER REVIEW.—The Secretary may review any such application with the assistance and advice of State officials and other individuals with relevant expertise.

SEC. 1306. COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE-DELIVERY PLAN; AUTHORIZED ACTIVITIES.

(a) COMPREHENSIVE PLAN.—Each State that receives a grant under this part shall ensure that the State and its local operating agencies identify and address the special educational needs of migratory children in accordance with a comprehensive State plan that—

(1)(A) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act and satisfies the requirements of this section that are not already addressed by such State plan; and

(B) is integrated with other State plans, if any, under the School-To-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Act to the extent that such plans have not already been incorporated in the State's plan under title III of the Goals 2000: Educate America Act;

(2) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan—

(A) is integrated with other State plans, such as those under the School-To-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Act, where such plans exist; and

(B) satisfies the requirements of this section;

(3) may be submitted as a part of a consolidated application under section 9302;

(4) provides that migratory children will have an opportunity to meet the same challenging performance standards, set out in those plans, that all children are expected to meet;

(5) specifies measurable program goals and outcomes;

(6) encompasses the full range of services that are available for migratory children from appropriate local, State and Federal educational programs;

(7) is the product of joint planning among such local, State, and Federal programs, including those under part A of this title, early childhood programs, and bilingual education programs under title VII of this Act;

(8) provides for the integration of services available under this part with services provided by such other programs; and

(9) to the extent feasible, provides for—

(A) advocacy and outreach activities for migratory children and their families, including informing them of, or helping them gain access to, other education, health, nutrition, and social services;

(B) professional development programs, including mentoring, for teachers and other program personnel;

(C) parent involvement programs (as defined under section 1118) and, when feasible, the establishment of instructional programs such as use of the model developed under the Even Start Family Literacy Programs that promote adult literacy and train parents to support the educational growth of their children;

(D) the integration of communication and information technology into educational and related programs; and

(E) programs to facilitate the transition of high school students to postsecondary education or employment.

A State may satisfy all or part of the requirements of this section by referencing applicable sections of its approved plan under title III of the Goals 2000: Educate America Act.

(b) AUTHORIZED ACTIVITIES.—(1) In implementing the comprehensive plan described in subsection (a), each local operating agency shall have the flexibility to determine the activities to be provided with funds made available under this part, provided that—

(A) before funds provided under this part are used to provide services described in subparagraph (B), those funds shall be used to meet the identified needs of migratory children that—

(i) result from the effects of their migratory lifestyle, or are needed to permit migratory children to participate effectively in school; and

(ii) are not addressed by services provided under other programs, including part A of this title; and

(B) all migratory children who are eligible to receive services under part A of this title shall receive such services with funds provided under this part or under part A of this title.

(2) This subsection shall not apply to funds under this part that are used for schoolwide programs under section 1114 of this title.

SEC. 1307. BYPASS.

The Secretary may use all or part of any State's allocation under this part to make arrangements with any public or private nonprofit agency to carry out the purpose of this part in such State if the Secretary determines that—

(1) the State is unable or unwilling to conduct educational programs for migratory children;

(2) such arrangements would result in more efficient and economic administration of such programs; or

(3) such arrangements would add substantially to the welfare or educational attainment of such children.

SEC. 1308. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) Improvement of Coordination.—The Secretary, in consultation with the States, may make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, and other public and private nonprofit entities to improve the interstate and intrastate coordination among State and local educational agencies of their educational programs, including the establishment or improvement of programs for credit accrual and exchange, available to migratory students. Grants under this subpart may be made for up to 5 years.

(b) Assistance and Reporting.—(1) Within 60 days of enactment, the Secretary shall convene a panel of Chief State School Officers and technical experts to assess alternative methods by which student records may be transferred from one school to another. Within 150 days of having been convened, the panel shall make recommendations to the Secretary on how schools may adopt the most cost-effective means of exchanging of school records. The Secretary shall also develop the most cost-effective and accurate method of determining the number of students or full-time equivalent students in each State on a yearly basis. The Secretary shall report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate the panel's findings and the Secretary's recommendations.

(2) The Secretary may contract for services for purposes of this section.

(c) Availability of Funds.—For the purpose of carrying out this section, the Secretary shall reserve up to $6,000,000 from the amount appropriated under section 1002(3) for each fiscal year to carry out this part.

(d) Competitive Grants.—From the amounts made available for this section, the Secretary shall reserve not more than $1,500,000 to award, on a competitive basis, grants in the amount of up to $100,000 each to State educational agencies with consortium agreements described under section 1303(d). Not less than 10 of such grants shall be awarded to States which receive allocations of less than $1,000,000 if such States have approved agreements.

SEC. 1309. DISTANCE LEARNING.

(a) PROGRAM.—The Secretary may establish a distance learning program to provide, through competitive grants, continuity in the education of migrant children using technology, interactive learning, computers, and automated technology links achieved with modems and telephone networks.

(b) FUNDS.—Not more than $3,000,000 may be used to establish the program under subsection (a).

SEC. 1310. DEFINITIONS.

As used in this part, the following terms have the following meanings:

(1) The term "local operating agency" means—

(A) a local educational agency to which a State educational agency makes a subgrant under this part;

(B) a public or nonprofit private agency with which a State educational agency or the Secretary makes an arrangement to carry out a project under this part; or

(C) a State educational agency, if the State educational agency operates the State's migrant education program or projects directly.

(2) The term "migratory child" means—

(A) for fiscal year 1996 and subsequent years, a child who is, or whose parent or spouse is, a migratory agricultural worker (including a migratory dairy worker) or a migratory fisher, and who, in the preceding 24 months, in order to obtain, or accompany such parent or spouse in order to obtain, temporary or seasonal employment in agricultural or fishing work—

(i) has moved from one local educational agency to another; or

(ii) in a State that is comprised of a single local educational agency, has moved from one administrative area to another within such agency; or

(B) for fiscal year 1995 only, a child fulfilling the requirements of subparagraph (A) for a period of 36 months instead of for 24 months; and

PART D—PREVENTION AND INTERVENTION SERVICES FOR DELINQUENT YOUTH AND YOUTH AT RISK OF DROPPING OUT

SEC. 1401. FINDINGS; PURPOSE; PROGRAM AUTHORIZED.

(a) FINDINGS.—Congress finds the following:

(1) A large percentage of youth in the juvenile justice system have poor academic achievement, are a year or more behind grade level, and have dropped out of school.

(2) There is a strong correlation between academic failure and involvement in delinquent activities.

(3) Preventing students from dropping out of local schools and addressing the educational needs of delinquent youth can help reduce the dropout rate and involvement in delinquent activities at the same time.

(4) Many schools and correctional facilities fail to communicate regarding a youth's academic needs and students often return to their home school ill-prepared to meet current curriculum requirements.

(5) Schools are often reluctant to deal with youth returning from facilities and receive no funds to deal with the unique educational and other needs of such youth.

(6) A continuing need exists for activities and programs to reduce the incidence of youth dropping out of school.

(7) Federal dropout prevention programs have demonstrated effectiveness in keeping children and youth in school.

(8) Pregnant and parenting teens are a high at-risk group for dropping out of school and should be targeted by dropout prevention programs.

(9) Such youth need a strong dropout prevention program which provides them with high level skills and which provides supports to youth returning from correctional facilities in order to keep them in school.

(b) PURPOSE.—It is the purpose of this part—

(1) to improve educational services to children in local and State institutions for delinquent children so that they have the opportunity to meet the same challenging State performance standards that all children in the State will be expected to meet;

(2) to provide such children the services they need to make a successful transition from institutionalization to further schooling or employment; and

(3) to prevent at-risk youth from dropping out of school and to provide dropouts and youth returning from institutions with a support system to ensure their continued education.

(c) PROGRAM AUTHORIZED.—In order to carry out the purpose of this part, the Secretary shall make grants to State educational agencies, which shall make subgrants to State agencies and local educational agencies to establish or improve programs of education for delinquent children and youth at risk of dropping out of school before graduation.

SEC. 1402. PAYMENTS FOR PROGRAMS UNDER THIS PART.

(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1403, the Secretary shall allocate to each State educational agency amounts necessary to make subgrants to State agencies.

(b) LOCAL SUBGRANTS.—Each State shall retain, for purposes of subpart 2, funds generated throughout the State under part A based on youth residing in local correctional facilities, or attending community day programs for delinquent children.

(c) USE OF REMAINING FUNDS.—Each State shall use any funds remaining after allocations are made under subsection (a).

Subpart 1—State Agency Programs

SEC. 1403. AMOUNT OF ALLOCATION TO STATE.

(a) State Allocation.—Each State educational agency is eligible to receive under this part, for each fiscal year, an amount equal to the product of—

(1) the number of delinquent children in State correctional facilities serving youth under the age of 21 who are enrolled for at least 20 hours per week in education programs operated or supported by facilities serving youth, and 10 hours a week in adult facilities serving youth.

(2) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent or more than 48 percent of the average per-pupil expenditure in the United States.

(b) Subgrants to State Agencies In Puerto Rico.—For each fiscal year, the amount of the grant for which a State agency in the Commonwealth of Puerto Rico is eligible under this part shall be equal to—

(1) the number of children counted under subsection (a)(1) for Puerto Rico; multiplied by the product of—

(A) the percentage that the average per-pupil expenditure in Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

(B) 32 percent of the average per-pupil expenditure in the United States.

SEC. 1404. STATE PLAN.

(a) State Plan.—(1)(A) Each State educational agency that desires to receive payments under this part shall submit, for approval by the Secretary, a plan, which shall be revised and updated as needed, for meeting the needs of delinquent youth and children at risk of dropping out that—

(i) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by such State plan; or

(ii) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act or is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section.

(B) A State plan submitted under paragraph (1)(A)(i) may, if necessary, be submitted as an amendment to the State's plan under title III of the Goals 2000: Educate America Act.

(2) Each such plan shall also—

(A) describe the State-established program goals, objectives, and performance measures that will be used to assess the effectiveness of the program in improving academic and vocational skills of children in the program;

(B) provide that, to the extent feasible, such children will have the same opportunities to learn as they would have if they were in schools of local educational agencies in the State;

(C) describe the manner in which such State educational agency will make subgrants; and

(D) contain assurances that the State educational agency will—

(i) ensure that programs assisted under this part will be carried out in accordance with the State plan described in this subsection;

(ii) carry out the evaluation requirements of section 1408;

(iii) ensure that its State agencies comply with all applicable statutory and regulatory requirements; and

(iv) provide such other information as the Secretary may reasonably require.

(b) Secretarial Approval; Peer Review.—(1) The Secretary shall approve each State plan that meets the requirements of this part.

(2) The Secretary may review any such plan with the assistance and advice of individuals with relevant expertise.

(c) Subgrants to State Agencies.—A State agency is eligible for assistance under this part if it is responsible for providing free public education for children in institutions for delinquent children.

(d) State Agency Applications.—A State agency that desires to receive funds to carry out a program under this part shall submit an application to the State educational agency that—

(1) describes the procedures to be used, consistent with the State plan under part A of this title, to assess the educational needs of the children to be served;

(2) provides assurances that in making services available to youth in adult correctional facilities, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

(3) describes the program, including a budget for the first year of the program, with annual updates to be provided;

(4) describes how the program will meet the goals and objectives of the State plan under this part;

(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1406 are of high quality;

(6) describes how the agency will carry out the evaluation requirements of section 1408 and how the results of the most recent evaluation are used to plan and improve the program;

(7) includes data showing that the agency has maintained fiscal effort required of a local educational agency, in accordance with section 9501 of this title;

(8) describes how the programs will be coordinated with other appropriate State and Federal programs, including the Job Training Partnership Act, vocational education, State and local dropout prevention programs, and special education;

(9) describes how appropriate professional development will be provided to teachers and other instructional and administrative personnel;

(10) designates an individual in each affected institution to be responsible for issues relating to the transition of children from an institution to locally operated programs;

(11) describes how the agency will, endeavor to coordinate with businesses for training and mentoring for participating youth;

(12) describes how the agency will assist in locating alternative programs through which students can continue their education if they are not returning to school after leaving the correctional facility;

(13) describes how the agency will work with parents to secure their assistance in improving the educational achievement of their children and preventing their further involvement in delinquent activities;

(14) describes how the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if such youth is identified as in need of special education services while the youth is in the facility and if the youth intends to return to the local school;

(15) describes how the agency will work with youth who dropped out of school before entering the facility to encourage such youth to reenter school once their term has been completed or provide the youth with the skills necessary to gain employment, continue their education, or achieve a high school equivalency certificate if the youth does not intend to return to school;

(16) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

(17) describes any additional services provided to youth, including career counseling, assistance in securing student loans, grants; and

(18) describes how this program will be coordinated with any programs operated under the Juvenile Justice and Delinquency Act, if applicable.

SEC. 1405. USE OF FUNDS.

(a) GENERAL.—(1) A State agency shall use funds received under this part only for programs and projects that—

(A) are consistent with the State plan referred to in section 1404(a); and

(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to high school completion, further education, or employment.

(2) Such programs and projects—

(A) may include the acquisition of equipment;

(B) shall be designed to support educational services that—

(i) except for institution-wide projects under section 1406, are provided to children identified by the State agency as failing, or most at risk of failing, to meet the State's challenging performance standards;

(ii) supplement and improve the quality of the educational services provided to such children by the State agency; and

(iii) afford such children an opportunity to learn to such challenging State standards;

(C) shall be carried out in a manner consistent with section 1119(b) and part F of this title; and

(D) may include the costs of meeting the evaluation requirements of section 1408.

(b) SUPPLEMENT, NOT SUPPLANT.—A program under this part that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the "supplement, not supplant" requirement of section 1119(b) of this title without regard to the subject areas in which instruction is given during those hours.

SEC. 1406. INSTITUTION-WIDE PROJECTS.

A State agency that provides free public education for children in an institution for delinquent children may use funds received under this part to serve all children in, and upgrade the entire educational effort of, such institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for such institution or program that—

(1) provides for a comprehensive assessment of the educational needs of all youth in the institution or program serving juveniles;

(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a 2-year period;

(3) describes the steps the State agency has taken, or will take, to provide all children under 21 with the opportunity to meet challenging academic and vocational standards in order to improve the likelihood that the students will complete high school, attain high school equivalency, or find employment after leaving the institution;

(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for secondary school students;

(5) specifically describes how such funds will be used;

(6) describes the measures and procedures that will be used to assess student progress;

(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions for delinquent children and personnel from the State educational agency; and

(8) includes an assurance that the State agency has provided for appropriate training to teachers and other instructional and administrative personnel to enable them to carry out the project effectively.

SEC. 1407. THREE-YEAR PROJECTS.

If a State agency operates a program under this part in which individual children are likely to participate for more than one year, the State educational agency may approve the State agency's application for a subgrant under this part for a period not to exceed 3 years.

SEC. 1408. TRANSITION SERVICES.

(a) Transition Services.—Each State agency shall reserve not more than 10 percent of the amount it receives under this part for any fiscal year to support projects that facilitate the transition of children from State-operated institutions to local educational agencies.

(b) Conduct of Projects.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

(c) Limitation.—Any funds reserved under subsection (a) shall be used only to provide transitional educational services, which may include counseling and mentoring, to delinquent children in schools other than State-operated institutions.

Subpart 2—Local Agency Programs

SEC. 1410. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

(a) Local Subgrants.—With funds retained under section 1402(2), the State educational agency shall make subgrants to local educational agencies with—

(1) a high number or percentage of youth who are residing in local (including county) correctional facilities for youth (including those involved in day programs); and

(2) which have the highest numbers or percentage of youth in the State which have dropped out of school in the preceding fiscal year.

(b) Notification.—A State educational agency shall notify local educational agencies which meet the criteria of subsection (a) of their eligibility for participation in the program.

(c) Purpose of Local Educational Agency Programs.—The purpose of this section is the operation of local educational agency programs which involve collaboration between local educational agencies and local correctional facilities serving such youth to—

(1) continue transition activities for youth returning from such facilities;

(2) to operate dropout prevention programs in local schools for youth at risk of dropping out and youth returning from correctional facilities; and

(3) to prepare youth who have finished their period of incarceration for employment, high school completion, and further education.

(d) Local Educational Agency Applications.—(1) Eligible local educational agencies which choose to take part in programs funded under this section shall submit an application to the State educational agency, containing such information on programs to be operated under this section as the State educational agency may require, and which shall include—

(1) a description of formal agreements between the local educational agency and correctional facilities and alternative school programs serving youth involved with the juvenile justice system to operate programs for delinquent youth;

(2) a description of how participating schools will coordinate with facilities working with delinquent youth to ensure that

such youth are participating in an education program comparable to one operating in the local school such youth would attend;

(3) a description of the dropout prevention program operated by participating schools and the types of services such schools will provide to at risk youth in participating schools and youth returning from correctional facilities;

(4) a description of the youth expected to be served by the dropout prevention program and how the school will be coordinating existing educational programs to meet unique education needs;

(5) a description of how schools will coordinate with existing social and health services to meet the needs of students at risk of dropping out of school and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted re-entry and outreach programs, referrals to community resources, and scheduling flexibility;

(6) a description of any partnerships with local businesses to develop training and mentoring services for participating students;

(7) a description of how the program will involve parents in efforts to improve the education achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

(8) a description of how this program will be coordinated with other Federal, State, and local programs, including the Job Training and Partnership Act and vocational education programs serving this at risk population of youth;

(9) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act, if applicable;

(10) a description of how schools will work with probation officers to assist in meeting the needs of youth returning from correctional facilities;

(11) a description of efforts participating schools will make to ensure correctional facilities working with youth are aware of a child's existing individualized education program;

(12) a description of the steps participating schools will take to find alternative placements for youth interested in continuing their education but unable to participate in a regular public school program.

(e) USES OF FUNDS.—Funds provided to local educational agencies under this section may be used for—

(1) dropout prevention programs which serve youth at educational risk, including pregnant and parent teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrants, immigrants, students with limited-English proficiency and gang members;

(2) the coordination of health and social services for such youth if there is a likelihood that the provision of such services including day care and drug and alcohol counseling, will im-

prove the likelihood such students will complete their education; and

(3) programs to meet the unique education needs of youth at risk of dropping out, which may include vocational education, special education, career counseling, and assistance in securing student loans or grants.

(f) PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.—Each facility entering into a partnership with a local educational agency to provide services to youth under this section shall—

(1) ensure educational programs in juvenile facilities are coordinated with the student's home school, particularly with respect to special education students with an individualized education program;

(2) notify the local school of a youth if the youth is identified as in need of special education servicers while in the facility;

(3) provide transition assistance to help the youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

(4) provide support programs which encourage the youth who have dropped out to reenter school once their term has been completed or provide such youth with the skills necessary for them to gain employment or seek a high school equivalency certificate;

(5) work to ensure facilities are staffed with teachers and other qualified staff who are also trained to work with children with disabilities and other special needs students taking into consideration such unique needs;

(6) ensure educational programs in correctional facilities are related to assisting students meet high educational standards;

(7) use, to the extent possible, technology to assist coordinating educational programs between the juvenile facility and community school;

(8) involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

(9) coordinate funds received under this program with other available State, local, and Federal funds to provide services to participating youth, including the Job Training Partnership Act, and vocational education;

(10) coordinate programs operated under this section with activities funded under the Juvenile Justice and Delinquency Prevention Act, if applicable;

(11) if appropriate, work with local businesses to develop training and mentoring programs for participating youth.

(g) ACCOUNTABILITY.—The State educational agency may—

(1) reduce or terminate funding for projects funded under this section in local educational agencies if such agencies do not show progress in reducing dropout rates for male students and for female students over a 3-year period;

(2) require juvenile facilities to demonstrate, after 3 years, that there has been an increase in the number of youth return-

ing to school, obtaining high school equivalency certificates, or obtaining employment after such youth are released.

SEC. 1411. PROGRAM EVALUATIONS.

(a) Scope of Evaluation.—Each State agency or local educational agency that conducts a program under subpart 1 or 2 shall evaluate the program, disaggregating data on participation by sex, and if feasible, by race, ethnicity, and age, not less than once every 3 years to determine its impact on the ability of participants to—

(1) maintain and improve educational achievement;

(2) accrue school credits that meet State requirements for grade promotion and high school graduation;

(3) for delinquent youth, make the transition to a regular program or other education program operated by a local educational agency; and

(4) complete high school (or high school equivalency requirements) and obtain employment after leaving the institution.

(b) Evaluation Measures.—In conducting each such evaluation with respect to subsection (a)(1), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

(c) Evaluation Results.—Each State agency and local educational agency shall —

(1) submit evaluation results to the State educational agency; and

(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children.

SEC. 1412. DEFINITIONS.

For the purpose of this part, the following terms have the following meanings:

(1) The term "adult correctional institution" means a facility in which persons are confined as a result of a conviction for a criminal offense, including persons under 21 years of age.

(2) The term "at risk youth" means school aged youth who are at risk of academic failure, have drug or alcohol problems, are pregnant or are parents, have come into contact with the juvenile justice system in the past, are at least one year behind the expected grade level for such age, have limited-English proficiency, are gang members, have dropped out in the past, or have high absenteeism rates.

(3) The term "community-day program" means a regular program of instruction provided by a State agency at a community-day school operated specifically for delinquent children.

(4) The term "institution for delinquent children" means a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

PART E—FEDERAL EVALUATIONS, DEMONSTRATIONS, AND TRANSITION PROJECTS

SEC. 1501. EVALUATIONS.

(a) National Assessment.—(1) The Secretary shall conduct a national assessment of programs under this title, in coordination

with the ongoing Chapter 1 Longitudinal Study under subsection (b) of this section, that shall be planned, reviewed, and conducted in consultation with an independent panel of researchers, State practitioners, local practitioners, and other appropriate individuals.

(2) The assessment shall examine how well schools, local educational agencies, and States—

(A) are progressing toward the goal of all children served under this title reaching the State's content and performance standards; and

(B) are accomplishing the specific purposes set out in section 1001(d) of this title to achieve this goal, including—

(i) ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children reach them;

(ii) providing children an enriched and accelerated educational program through schoolwide programs or through additional services that increase the amount and quality of instructional time that children receive;

(iii) promoting schoolwide reform and access of all children to effective instructional strategies and challenging academic content;

(iv) significantly upgrading the quality of the curriculum and instruction by providing staff in participating schools with substantial opportunities for professional development;

(v) coordinating services under all parts of this title with each other, with other educational services, including preschool services, and, to the extent feasible, with health and social service programs funded from other sources;

(vi) affording parents meaningful opportunities to participate in the education of their children at home and at school, including the provisions of family literacy services;

(vii) distributing resources to areas where needs are greatest;

(viii) improving accountability, as well as teaching and learning, by making assessments under this title congruent with State assessment systems; and

(ix) providing greater decisionmaking authority and flexibility to schools in exchange for greater responsibility for student performance.

(3) Where feasible, the Secretary shall use information gathered from a variety of sources, including the National Assessment of Educational Progress, State evaluations, and available research studies in carrying out this subsection.

(4) The Secretary shall submit a biennial report summarizing the cumulative findings to date of the assessment to the President and the appropriate committees of the Congress.

(b) Studies and Data Collection.—The Secretary may collect such data, as necessary, at the State, local, and school levels and conduct studies and evaluations, including national studies and evaluations, to assess on an ongoing basis the effectiveness of programs under this title and to report on such effectiveness on a periodic basis.

(c) National Evaluation of Title I.—The Secretary shall carry out an ongoing evaluation of the program under part A of this title

in order to provide the public, Congress, and educators involved in such program, an accurate description of the effectiveness of such program and provide information that can be used to improve such program's effectiveness. Such evaluation shall—

(1) have a longitudinal design tracking cohorts of students for at least 3 years which, when the cohorts are taken as a whole, provides a picture of such program's effectiveness over the elementary and secondary grades;

(2) be separate and independent from State and local assessments and evaluations as required under this part;

(3) utilize the highest available content standards that are generally accepted as national in scope;

(4) provide information on all students, students served under this part, and, if funds are sufficient, information on students from low-income families and limited English proficient students; and

(5) when feasible, collect, cross-tabulate, and report data by sex within race or ethnicity and socioeconomic status.

The Secretary shall use the information from this evaluation as part of the national assessment required by subsection (a) and shall report the data from this evaluation to the Congress and the public at least as frequently as that assessment.

(d)(1) In conducting the National Assessment under subsection (a) and the National Evaluation under subsection (b), the Secretary shall not assess the progress of students in grade 1, kindergarten, and pre-kindergarten on the basis of outcome measures such as content and performance standards;

(2) any assessments of children in grade 2 shall utilize matrix sampling and be performance-based; and

(3) any data collected regarding children in grade 2 shall—

(A) be collected at multiple points in time;

(B) not be used to stigmatize, label, or place any child; and

(C) be collected in multiple domains.

(e) PARENTAL INVOLVEMENT, STUDY, REPORT AND DISSEMINATION.—(1) The Secretary, through the Office of Education Research and Improvement, shall conduct a study to identify and describe—

(A) common barriers to effective parental involvement in the education of participating children; and

(B) successful local policies and programs which improve parental involvement and the performance of participating children.

(2) The Secretary shall—

(A) complete such study by December 31, 1995;

(B) report the findings of such study to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate; and

(C) disseminate the findings, relating to the successful local policies and programs which improve parental involvement and the performance of participating children, to local educational agencies.

SEC. 1502. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

(a) DEMONSTRATION PROGRAMS TO IMPROVE ACHIEVEMENT.—(1) From the funds appropriated for any fiscal year under section 1002(7)(B), the Secretary may make grants to State educational

agencies, local educational agencies, other public agencies, nonprofit organizations, public/private partnerships involving business and industry organizations, and consortia of such bodies to carry out demonstration projects that show the most promise of enabling children served under this title to meet challenging State standards. Such projects shall include promising strategies such as—

(A) accelerated curricula, the application of new technologies to improve teaching and learning, extended learning time, and a safe and enriched full-day environment for children to provide them the opportunity to reach high standards;

(B) integration of education services with each other and with health, family, and other social services such as mentoring programs, particularly in empowerment zones and enterprise communities;

(C) effective approaches to whole school reform;

(D) programs that have been especially effective with limited English proficient children, migratory children and other highly mobile students, children leaving institutions for neglected or delinquent children and returning to school, and homeless children and youth; and

(E) programs that are built upon partnerships developed between elementary and middle schools, employers, and the community which emphasize the integration of high quality academic and vocational learning, stress excellence and high expectations for success in core academic subjects, instill responsibility, decisionmaking, problem solving, interpersonal skills, and other competencies in students, and make school relevant to the workplace and the community, through applied and interactive teaching methodologies, team teaching strategies, learning opportunities connecting school, the workplace, and the community, and career exploration, awareness, and career guidance opportunities.

(2) The Secretary shall evaluate the demonstration projects supported under this title, using rigorous methodological designs and techniques, including control groups and random assignment, to the extent feasible, to produce reliable evidence of effectiveness.

(b) PARTNERSHIPS.—(1) From funds appropriated under section 1002(7)(B) for any fiscal year, the Secretary may, directly or through grants or contracts, work in partnership with State educational agencies, local educational agencies, other public agencies, and non-profit organizations to disseminate and use the highest quality research and knowledge about effective practices to improve the quality of teaching and learning in schools supported under this title.

SEC. 1503. INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.

(a) IN GENERAL.—From not less than $10,000,000 of the amount appropriated under section 1002(7)(B) the Secretary shall provide financial assistance to support innovative transition projects in elementary schools.

(b) GRANTS.—(1) From 70 percent of the amount reserved under subsection (a) to carry out this section, the Secretary shall make grants to local educational agencies for the purpose of supporting projects, for children from low-income families who previously at-

tended Head Start, Even Start, or similar preschool programs, which provide educational and other services in kindergarten and early elementary grades.

(2) The purpose of such projects are to assist such children to—

(A) make a successful transition from preschool through the early elementary grades; and

(B) achieve challenging academic standards.

(3) A program assisted under this subsection shall—

(A) provide transition-to-elementary school activities, such as—

(i) development of a transition plan for each child, which provides for support and assistance through the third grade;

(ii) transfer of each child's preschool records to the elementary school (with parental consent);

(iii) formal meetings between a child's parent, preschool teacher, and kindergarten or first grade teacher; and

(iv) kindergarten visits and other orientation activities for preschool children prior to enrollment in elementary school;

(B) use a model instructional approach for which financial assistance is provided under subsection (d);

(C) provide directly or through referral comprehensive educational, health, nutritional, social, and other services as will aid in the continued development of eligible children to their full potential; and

(D) provide for the direct participation of the parents of such children in the development, operation, and evaluation of such program.

(c) APPLICATIONS AND GRANT PRIORITY.—(1) An application for a grant under subsection (b) shall—

(A) describe the transition-to-elementary school activities which the applicant plans to administer;

(B) describe the model instructional approach the applicant will use, and the manner in which the applicant will implement such approach;

(C) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training from the agency, organization, or institution which sponsors such approach and receives funds under subsection (d);

(D) describe the manner in which the applicant will provide comprehensive services to the children to be served;

(E) describe how the applicant will provide for direct participation by parents in the planning, operation, and evaluation of such program;

(F) describe how such program will be coordinated with title I, title VII, and other programs authorized under this Act; and

(G) provide evidence that—

(i) the applicant has entered into formal arrangements with local Head Start, Even Start, and other preschool programs to ensure that the transition activities supported by such program are effective; and

(ii) the transition activities, instruction, and other services to be provided by the applicant have been specifically

designed to build upon, and coordinate with, those services provided to eligible children and their parents in local Head Start, Even Start and other similar preschool programs.

(2) In making grants under subsection (b), the Secretary shall—

(A) give priority to applicants that—

(i) propose to administer a project in schools designated as a schoolwide program under section 1114 of this Act; and

(ii) propose to use an innovative transition and instructional approach which has been shown to be effective for the purpose described in paragraph (2) of subsection (b); and

(B) provide sufficient funds to enable programs to meet the purposes of paragraph (1) and the requirements of paragraph (2).

(d) TECHNICAL ASSISTANCE AND TRAINING.—From 30 percent of the amount reserved under subsection (a), the Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations to provide—

(1) technical assistance in the implementation and expanded use of model transition and instructional approaches; and

(2) training in conjunction with the implementation and operation of such model approaches.

(e) GENERAL PROVISIONS.—

(1) An application for assistance under this section may not be approved unless the Secretary is satisfied that the services to be provided by the applicant will supplement, and not supplant, services previously provided without Federal assistance.

(2) A program which receives assistance under subsection (b) must demonstrate that such program achieved the purposes described in paragraph (2) of such subsection in order to be eligible for a renewal grant.

PART F—GENERAL PROVISIONS

SEC. 1601. FEDERAL REGULATIONS.

(a) IN GENERAL.—The Secretary is authorized to issue such regulations as are necessary to reasonably ensure that there is compliance with this title.

(b) NEGOTIATED RULEMAKING PROCESS.—(1) Prior to publishing proposed regulations in the Federal Register to carry out this title, the Secretary shall obtain the advice and recommendations of representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with the implementation and operation of programs under this title.

(2) Such advice and recommendations may be obtained through such mechanisms as regional meetings and electronic exchanges of information.

(3) After obtaining such advice and recommendations, and prior to publishing proposed regulations, the Secretary shall—

(A) establish a negotiated rulemaking process on a minimum of 4 key issues, including—

(i) schoolwide projects;

(ii) standards and assessment;
(iii) parental involvement; and
(iv) professional development;

(B) select individuals to participate in such process from among individuals or groups which provided advice and recommendations, with representation from all geographic regions; and

(C) prepare a draft of proposed policy options that shall be provided to the individuals selected by the Secretary under subparagraph (A) not less than 45 days prior to the first meeting under such process.

(4) Such process—

(A) shall be conducted in a timely manner to ensure that final regulations are issued by the Secretary not later than the 240-day period required by section 437 of the General Education Provisions Act;

(B) shall not be subject to the Federal Advisory Committee Act but shall otherwise follow the provisions of the Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

(5) In an emergency situation in which regulations to carry out this title must be issued with a very limited time to assist State and local educational agencies with the operation of the program, the Secretary may issue proposed regulations without following such process but shall, immediately thereafter and prior to issuing final regulations, conduct regional meetings to review such proposed regulations.

(c) SPECIAL RULE.—Funds made available under section 1002(7) may not be released by the Secretary for expenditure until such time as final regulations to carry out part A are published in the Federal Register.

(d) LIMITATION.—Regulations to carry out this part may not require local programs to follow a particular instructional model, such as the provision of services outside the regular classroom or school program.

SEC. 1602. COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

(a) PROGRAM ASSISTANCE MANUAL.—The Secretary shall, not later than 6 months after the publication of final regulations under this title, prepare and distribute to State educational agencies, State agencies operating programs under parts C and D, and local educational agencies, and shall make available to parents and other interested individuals, organizations, and agencies, a manual for this title to—

(1) assist such agencies in—

(A) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this title;

(B) applying for program funds under this title; and

(C) meeting the program objectives under this title;

(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this title;

(3) assist parents to become involved in the planning for, and implementation and evaluation of, programs and projects under this title; and

(4) ensure that officers and employees of the Department of Education, including officers and employees of the Secretary and officers and employees of such Department charged with auditing programs carried on under this title, uniformly interpret, apply, and enforce requirements under this title throughout the United States.

(b) CONTENTS OF POLICY MANUAL.—The policy manual shall, with respect to programs carried out under this title, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such items are required under section 552 of title 5, United States Code, to be published or made available. The manual shall include—

(1) a statement of the requirements applicable to the programs carried out under this title, including such requirements contained in this title, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

(2) an explanation of the purpose of each requirement and its interrelationship with other applicable requirements; and

(3) model forms and instructions developed by the Secretary for use by State and local educational agencies, at their discretion, including, application forms, application review checklists, and instruments for monitoring programs under this title.

(c) RESPONSE TO INQUIRIES.—The Secretary shall respond with written guidance not more than 90 days after any written request (return receipt requested) from a State or local educational agency regarding a policy, question, or interpretation under this title. In the case of a request from a local educational agency, such agency is required to address its request to the State educational agency first.

SEC. 1603. STATE ADMINISTRATION.

(a) RULEMAKING.—(1) Each State that receives funds under this title shall—

(A) ensure that any State rules, regulations, and policies relating to this title conform to the purposes of this title and provide any such proposed rules, regulations, and policies to the Committee of Practitioners for their review and comment;

(B) minimize such rules, regulations, and policies to which their local educational agencies and schools are subject; and

(C) identify any such rule, regulation, or policy as a State-imposed requirement.

(2) State rules, regulations, and policies under this title shall support and facilitate local educational agency and school-level systemic reform designed to enable all children to meet the State's standards.

(b) COMMITTEE OF PRACTITIONERS.—(1) Each State educational agency shall create a State committee of practitioners to advise the State in carrying out its responsibilities under this title.

(2) Each such committee shall include—

(A) as a majority of its members, representatives from local educational agencies;

(B) administrators;

(C) teachers, including vocational educators;

(D) parents;

(E) members of local boards of education;

(F) representatives of private school children; and

(G) counselors.

(3) The duties of the committee shall include a review, prior to publication, of any proposed or final State rule or regulation pursuant to this title. In an emergency situation where such rule or regulation must be issued within a very limited time to assist local educational agencies with the operation of the program, the State educational agency may issue a regulation without prior consultation, but shall immediately thereafter convene the State committee of practitioners to review the emergency regulation prior to issuance in final form.

(c) PAYMENT FOR STATE ADMINISTRATION.—Each State may reserve for the proper and efficient performance of its duties under this title the greater of—

(1) one percent of the funds received under section 1002(a) and (c) through (f); or

(2) $325,000, or $50,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and Palau (until the Compact of Free Association takes effect).

TITLE II—IMPROVING TEACHING AND LEARNING

PART A—DWIGHT D. EISENHOWER PROFESSIONAL DEVELOPMENT PROGRAM

SEC. 2101. FINDINGS.

The Congress finds that—

(1) reaching the National Education Goals requires a comprehensive educational reform strategy that involves parents, schools, government, communities, and other public and private organizations at all levels;

(2) a crucial component of the strategy for achieving these goals is ensuring, through sustained and intensive high-quality professional development, and through the development and adoption of high quality curriculum, that all teachers are capable of providing challenging learning experiences in the core academic subjects for their students;

(3) decisionmaking as to what activities a State or local educational agency should undertake to improve teaching and learning are best made by individuals in the schools closest to the classroom and most knowledgeable about the needs of schools and students;

(4) the potential positive impact of high-quality professional development is underscored by recent research findings that—

(A) professional development must be focused on teaching and learning in order to change the opportunities of all students to achieve higher standards; and

(B) effective professional development focuses on discipline-based knowledge and subject-specific pedagogical skills, involves teams of teachers and administrators in a school and, through professional networks of teachers and

administrators, is interactive and collaborative, motivates by its intrinsic content and relationship to practice, builds on experience and learning-by-doing, and becomes incorporated into the everyday life of the school;

(5) engaging teachers in the development of high quality curricula is a powerful professional development activity that improves teaching and learning;

(6) special attention must be given in professional development activities to ensure that education professionals are knowledgeable of, and make use of, strategies for serving populations that historically have lacked access to equal opportunities for advanced learning and career advancement;

(7) States and local educational agencies also need to engage teachers in the development of high quality curricula that are aligned with State or local content and performance standards in order to improve teaching and learning and ensure that students achieve the State standards;

(8) professional development is often a victim of budget reductions in fiscally difficult times and curricula development is almost nonexistent in many State and local school systems; and

(9) the Federal Government has a vital role in helping States and local educational agencies to make sustained and intensive high-quality professional development in the core academic subjects become an integral part of the elementary and secondary education system and in providing assistance to such agencies to engage teachers in the development of high quality curricula that are aligned with State or local content and performance standards.

SEC. 2102. PURPOSES.

The purposes of this part are to provide assistance to States and local educational agencies and to institutions of higher education with teacher education programs so that such agencies can determine how best to improve the teaching and learning of all students through—

(1) helping to ensure that teachers, other staff, and administrators have access to sustained and intensive high-quality professional development that is aligned to challenging State content and performance standards in the care academic subjects and that—

(A) is tied to challenging State and local curriculum content and student performance standards;

(B) reflects recent research on teaching and learning;

(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

(D) includes strong academic content and pedagogical components;

(E) is of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

(F) is part of the everyday life of the school and creates an orientation toward continuous improvement throughout the school; and

(2) assisting States and local educational agencies to engage teachers in the development of high quality curriculum that is aligned with State or local content and performance standards.

SEC. 2103. AUTHORIZATION OF APPROPRIATIONS; ALLOCATION BETWEEN SUBPARTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $800,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996, 1997, 1998, and 1999.

(b) ALLOCATION BETWEEN SUBPARTS.—Of the funds appropriated to carry out this part for a fiscal year, the Secretary shall use—

(1) 5 percent to carry out subpart 1; and

(2) 95 percent to carry out subpart 2.

Subpart 1—Federal Activities

SEC. 2111. PROGRAM AUTHORIZED.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, local educational agencies, State educational agencies, State agencies for higher education, educational service agencies, institutions of higher education, and other public and private agencies, other organizations, and institutions to—

(1) support activities of national significance that will contribute to the development and implementation of high-quality professional development activities in the core academic subject areas;

(2) support the development of challenging curriculum that is aligned with State or local content and performance standards;

(3) evaluate activities carried out under this subpart and under subpart 2.

(b) COORDINATION WITH OTHER AGENCIES.—In carrying out this program, the Secretary shall consult and coordinate with the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, and other appropriate Federal agencies and entities.

SEC. 2112. AUTHORIZED ACTIVITIES.

(a) The Secretary shall use funds available to carry out this subpart—

(1) to provide seed money to eligible entities to develop their capacity to offer sustained and intensive high-quality professional development;

(2) for the development and maintenance of a national clearinghouse for science, mathematics, and technology education materials which shall be administered as an adjunct clearinghouse of the ERIC system of clearinghouses supported by the Office of Educational Research and Improvement;

(3) to support consortia of educational agencies and organizations in disseminating information and providing assistance regarding curricula, teaching methods, and assessment tools that

support national or State content standards in mathematics and science; and

(4) the evaluation of programs under this subpart and under subpart 2.

(b) The Secretary may use funds available to carry out this subpart—

(1) for the development and maintenance of national clearinghouses for core academic subjects as the Secretary determines are needed and which shall be administered as adjunct clearinghouses of the ERIC system of clearinghouses supported by the Office of Educational Research and Improvement;

(2) to provide grants to entities to develop high quality curricula that are aligned with voluntary national or State content standards;

(3) to sponsor institutes that provide teachers and administrators with professional development that is based on strong and integrated disciplinary content and pedagogical components;

(4) for efforts to train teachers in the innovative uses and applications of technology to enhance student learning;

(5) to encourage the development of local and national professional networks of educators;

(6) to disseminate standards in the core academic subjects, including information on voluntary national content and performance standards and related models of high-quality professional development;

(7) for efforts to train teachers in innovative uses of applied learning strategies such as service learning;

(8) to disseminate models of high-quality professional development activities that train educators in strategies, techniques, methods, and practices for meeting the educational needs of historically underserved populations, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

(9) to promote the transferability of licensure and certification of teachers and administrators among State and local jurisdictions; and

(10) to support the National Board for Professional Teaching Standards.

(c) In carrying out subsection (a), the Secretary shall ensure that each program, project, and activity contained in such subsection receives an allocation that is no less than the amount that each such program, project, or activity received in fiscal year 1994.

Subpart 2—State and Local Activities

SEC. 2121. PROGRAM AUTHORIZED.

The Secretary is authorized to make grants to State educational agencies for the improvement of teaching and learning through sustained and intensive high-quality professional development activities in the core academic subjects at the State and local levels and the development by teachers and others of high-quality curricula *that are aligned with State or local content and performance standards.*

SEC. 2122. ALLOCATION OF FUNDS.

(a) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall—

(1) reserve one half of one percent for the outlying areas, to be distributed among them on the basis of relative need, as determined by the Secretary in light of the purposes of this part; and

(2) reserve one half of one percent for the Secretary of the Interior for programs under this subpart for professional development activities for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

(b) STATE ALLOTMENTS.—The Secretary shall allocate the remaining amount to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico as follows, except that no State shall receive less than one-half of one percent of such remaining amount:

(1) 50 percent shall be allocated among such jurisdictions on the basis of their relative populations of individuals aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

(2) 50 percent shall be allocated among such jurisdictions in accordance with the relative amounts such jurisdictions received under part A of title I of this Act for the preceding fiscal year.

(c) REALLOCATION.—If any jurisdiction does not apply for its allotment under subsection (b) for any fiscal year, the Secretary shall reallocate such amount to the remaining jurisdictions in accordance with such subsection.

SEC. 2123. WITHIN-STATE ALLOCATIONS.

(a) RESERVATIONS.—Of the amounts received by a State under this subpart for a fiscal year—

(1) not more than 5 percent shall be used for the administrative costs of programs carried out by the State educational agency and the State agency for higher education;

(2) not more than 5 percent may be used for State-level activities, as described in section 2125; and

(3) of the remaining amount—

(A) 87 percent shall be distributed to local educational agencies, to be used in accordance with section 2129, as follows:

(i) 50 percent of such amount shall be distributed in accordance with the relative enrollments in public and private nonprofit schools within their boundaries.

(ii) 50 percent of such amount shall be distributed in accordance with the relative amount such agencies received under part A of title I of this Act for the preceding fiscal year; and

(B) 13 percent shall be used for competitive grants to institutions of higher education as described in section 2129.

(b) LIMITATION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), any local educational agency that receives an allocation of less than $10,000 under subsection (a) shall, for the purpose of providing services under this subpart, form a consortium with at least 1 other local educational agency or institution of higher education receiving assistance under this section.

(2) WAIVER.—The State educational agency shall waive the application of paragraph (1) in the case of any local educational agency that demonstrates that the amount of its allocation is sufficient to provide a program of sufficient size, scope, and quality to be effective. In granting waivers under the preceding sentence, the State educational agency shall—

(A) give special consideration to local educational agencies serving rural areas; and

(B) consider cash or in-kind contributions provided from State or local sources that may be combined with the local educational agency's allocation for the purpose of providing services under this part.

SEC. 2124. STATE APPLICATIONS.

(a) APPLICATIONS REQUIRED.—Each State educational agency that wishes to receive its allotment under this subpart for any fiscal year shall submit an application to the Secretary at such time and in such form as the Secretary may require.

(b) STATE PLAN TO IMPROVE TEACHING AND LEARNING—(1) Each application under this section shall include a State plan that—

(A) is integrated with the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that State plan; or

(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section.

(2) Each such plan shall also—

(A) be developed in conjunction with the State agency for higher education, institutions of higher education, schools of education, and with the extensive participation of teachers and administrators and members of the public who are interested in improving education in the State and show the role of each in implementation;

(B) be designed to give teachers and administrators in the State the knowledge and skills to provide all students the opportunity to meet challenging State performance standards;

(C) include an assessment of State and local needs for professional development and for the development of curricula that are aligned with State or local content and performance standards;

(D) include a description of how the plan has assessed the needs of local education agencies serving rural areas, and what actions are planned to meet those needs;

(E) include a description of how the plan has maintained funding for professional development activities in mathematics and science education;

(F) include a description of how the activities funded under this subpart will address the needs of teachers in schools receiving assistance under part A of title I of this Act;

(G) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the disabled, by incorporating pedagogical strategies and techniques which meet their educational need;

(H) if the State's needs assessment under subsection (C) demonstrates a need for professional development, describe how the State will—

(i) work with teachers, including teachers in schools receiving assistance under part A of title I of this Act, administrators, local educational agencies, schools, and institutions of higher education to ensure that they develop the capacity to support sustained and intensive, high-quality professional development programs in all the core academic subject areas, but especially in mathematics and science;

(ii) take specific steps to review and, if necessary, reform State requirements for licensure of teachers and administrators, including certification and recertification, to align such requirements with challenging State content and performance standards; and

(iii) address the need for improving teaching and learning through teacher development beginning with recruitment, pre-service, and induction, and continuing throughout the professional teaching career; and

(I) if the State's needs assessment under subparagraph (C) demonstrates a need for curricula development, describe—

(i) a strategy for engaging teachers in the development of curricula that are aligned with State or local content and performance standards; and

(ii) how the State will also work with administrators, parents, school board members, and other members of the community in developing high quality curricula that are aligned with State or local content and performance standards.

(c) ADDITIONAL MATERIAL.—Each State application shall also include—

(1) a description of how the activities funded under this subpart will be coordinated, as appropriate, with—

(A) other activities conducted with Federal funds, especially activities supported under part A of title I of this Act;

(B) State and local funds;

(C) resources from business and industry; and

(D) funds from other Federal agencies, such as the National Science Foundation, the Departments of Commerce, Energy, and Health and Human Services, the National Endowment for the Arts, and the National Endowment for the Humanities; and

(2) a description of the activities to be sponsored under the State-level activities and the higher education components of its program under this subpart.

(d) Peer Review and Secretarial Approval.*—(1) The Secretary shall approve the application of a State educational agency if it meets the requirements of this section and holds reasonable promise of achieving the purposes of this part.*

(2) In reviewing applications, the Secretary shall obtain the advice of non-Federal experts on education in the core academic subjects and on teacher education, including teachers and administrators.

(e) Assurance.*—Each State applying for funds under this title shall provide the Secretary with the assurance that after July 1, 1998, it will require each local educational agency within the State to certify that each full time teacher in schools under the jurisdiction of the agency is certified to teach in the subject area to which he or she is assigned. Nothing in this subsection shall be construed to prevent a State from implementing alternative methods of teacher certification.*

SEC. 2125. STATE-LEVEL ACTIVITIES.

Each State may use funds reserved under section 2123(a)(2) to carry out activities referred to in section 2124(b), such as—

(1) reviewing and reforming State requirements for teacher and administrator licensure, including certification and recertification, to align such requirements with the State's content standards and ensure that teachers and administrators have the knowledge and skills necessary to help students meet challenging State performance standards;

(2) developing performance assessments and peer review procedures, as well as other methods, for licensing teachers and administrators;

(3) providing technical assistance to schools and local educational agencies especially schools and local educational agencies that receive assistance under part A of title I of this Act, to help such schools and agencies provide effective professional development in the core academic subjects and develop high quality curricula;

(4) developing or supporting professional development networks, either within a State or in a regional consortium of States, that provide a forum for interaction among teachers and that allow exchange of information on advances in content assessment and pedagogy;

(5) supporting partnerships between schools, consortia of schools, or local education agencies and institutions of higher education, including but not limited to schools of education, which would encourage teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education, and to encourage students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

(6) enhancing the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subject areas including—

(A) efforts to train teachers in the innovative uses and application of instructional technology;

(B) utilizing and strengthening existing telecommunications infrastructure dedicated to educational purposes; and

(C) efforts to train teachers in methods for achieving gender equity both in access to and teaching practices used in the application of educational technology;

(7) providing incentives for teachers to be involved in curriculum development and technical assistance processes for teachers and students;

(8) professional development enabling teachers and other school staff to ensure that girls, young women, minorities, limited English proficient students, individuals with disabilities, and economically disadvantaged individuals have the opportunity to achieve challenging State performance standards in the core academic subjects by, for example, encouraging girls, young women, and minorities to pursue advanced courses in mathematics and science;

(9) designing professional development activities that increase the numbers of members of minority and other underrepresented groups in the teaching force in the core subjects;

(10) developing high quality curriculum that is aligned with State or local content and performance standards; and

(11) providing financial or other incentives for teachers to become certified by the National Board for Professional Teaching Standards.

SEC. 2126. LOCAL PLAN AND APPLICATION FOR IMPROVING TEACHING AND LEARNING.

(a) LOCAL APPLICATION.—(1) Each local educational agency that wishes to receive a subgrant under this subpart shall submit an application (singly or as a consortia as described in section 2123(b)) to the State educational agency at such time as the State educational agency shall require, but not less frequently than every 3rd year.

(2) If the local educational agency has an application approved by the State under title III of the Goals 2000: Educate America Act, the application required by this section shall be a component of (or, if necessary, an addendum to) its Goals 2000 application.

(3) A local education agency shall set specific performance indicators for improving teaching and learning through professional development and curriculum development.

(4) A local educational agency shall submit, as part of its application, the results of the needs assessment conducted under subsection (b), and the local educational agency plan developed in accordance with subsection (c).

(b) NEEDS ASSESSMENT.—(1) A local educational agency that wishes to receive a subgrant under this subpart shall include in its application an assessment of such agency's need for professional development, for the development of high quality curricula that are aligned with State or local content and performance standards.

(2) Such needs assessment shall be carried out with the involvement of teachers, including teachers in schools receiving assistance

under part A of title I of this Act, and shall take into account what activities need to be conducted in order to give teachers and administrators the means, including the knowledge and skills, to provide students with the opportunity to meet challenging State or local performance standards.

(c) PLAN DEVELOPMENT.—(1) The plan required under this subsection shall be developed jointly by the local educational agency and by teachers from the core academic disciplines.

(2) Such teachers shall also be representative of the grade spans within schools to be served and of schools which receive assistance under part A of title I of this Act.

(3) Based on the needs assessment required under subsection (b), the local educational agency's plan shall include the following—

(A) a description of the local educational agency's strategy to improve teaching and learning in every school;

(B) a description of how the plan contributes to the local educational agency's overall efforts for school reform and educational improvement;

(C) a description of the activities the local educational agency intends to undertake under this subpart consistent with such agency's needs assessment conducted under subsection (b);

(D) a description of how the plan has maintained funding for professional development activities in mathematics and science education;

(E) a description of how the activities funded under this section will address the needs of teachers in schools receiving assistance under part A of title I of this Act;

(F) a description of how programs in all core academic subjects, but especially in mathematics and science, will take into account the need for greater access to, and participation in, such disciplines by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the disabled, by incorporating pedagogical strategies and techniques which meet their educational need;

(G) an assurance that the activities conducted with funds received under this program will be assessed at least every 3 years using the performance indicators;

(H) a description of how the program funded under this subpart will be coordinated, as appropriate, with—

(i) activities conducted under section 2130 and other services of institutions of higher education;

(ii) similar State and local activities;

(iii) resources provided under part A of title I and other parts of this Act, particularly part B of title II;

(iv) resources from business, industry, private nonprofit organizations (including museums, libraries, educational television stations, community-based organizations, professional organizations and associations specializing in, or with a demonstrated expertise in the core academic disciplines);

(v) funds or programming from other Federal agencies, such as the National Science Foundation, the Department of Energy, the Department of Health and Human Services,

the National Endowment for the Humanities, and the National Endowment for the Arts; and

(vi) an identification of funding that will provide the local educational agency's contribution under section 2127.

SEC. 2127. LOCAL COST SHARING.

(a) IN GENERAL.—Each local educational agency shall bear not less than 33 percent of the cost of any program carried out under this subpart, but not including the cost of services provided to private schoolteachers.

(b) AVAILABLE RESOURCES FOR COST-SHARING.—A local educational agency may meet the requirements of subsection (a) through one or more of the following:

(1) Cash expenditures from non-Federal sources, including private contributions, directed toward professional development and curriculum development activities.

(2) Release time for teachers participating in professional development or curricula development funded under this subpart.

(3) Funds received under one or more of the following programs, if used for professional development or curricula development activities consistent with this subpart and consistent with the statutes under which such funds are provided, then such funds must be used for the benefit of students and teachers in the schools that would otherwise have been served with such funds:

(A) Part A of title I of this Act.

(B) The Safe and Drug Free Schools program under title IV of this Act.

(C) The bilingual education program under title VII of this Act.

(D) The Women's Educational Equity Program under title III of this Act.

(E) Title III of the Goals 2000: Educate America Act.

(F) Programs that are related to the purposes of this Act that are administered by other agencies, including the National Science Foundation, the National Endowment for the Humanities, the National Endowment for the Arts, and the Department of Energy.

(c) WAIVER.—The State educational agency may approve an application which has not fully met the requirements of subsection (a) and waive the requirements of subsection (a) if a local educational agency can demonstrate that it is unable to meet the requirements of subsection (a) due to economic hardship and that compliance with such requirements would preclude its participation in the program.

SEC. 2128. LOCAL ALLOCATION OF FUNDS AND ALLOWABLE ACTIVITIES.

(a) LOCAL ALLOCATION OF FUNDS.—Each local educational agency that receives funds under this subpart for any fiscal year—

(1) shall use not less than 80 percent of such funds for—

(A) professional development of teachers, principals, and other instructional staff who work directly with children; and

(B) engaging teachers and other staff in the development of high quality curricula aligned with State and local content and performance standards, in a manner that is determined by such teachers and staff and is consistent with the provisions of such local educational agency's application under section 2126, any school plan under part A of title I of this Act, and any other plan for professional development or curricula development carried out with Federal, State, or local funds; and

(2) may use not more than 20 percent of such funds for district-level professional or curricula development activities, which may include the participation of administrators and policymakers if such activities directly support instructional personnel.

(b) AUTHORIZED ACTIVITIES.—Each local educational agency and school that receives funds under this subpart shall use such funds for activities that give teachers and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content and performance standards. Funds received by local educational agencies under this subpart only shall be used for the activities specified under subsections (c) and (d). No less than 80 percent of those funds shall be used for activities under subsection (c) and not more than 20 percent for activities under subsection (d).

(c) PROFESSIONAL DEVELOPMENT.—If a needs assessment conducted under section 2126(b) determines that funds under this subpart should be used to provide professional development in the core academic subjects for teachers and other school staff, the local educational agency shall use such funds for professional development for teachers and other staff to support teaching consistent with State, or local content standards, and shall, to the extent practicable, coordinate such activities with institutions of higher education and activities under section 2129:

(1) Professional development activities funded under this subpart shall—

(A) be tied to challenging State or local content and student performance standards;

(B) reflect recent research on teaching and learning;

(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards;

(D) include strong academic content and pedagogical components;

(E) be of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom; and

(F) be part of the everyday life of the school and create an orientation toward continuous improvement throughout the school.

(2) Funds under this subpart may be used for professional development activities such as—

(A) professional development for teams of teachers, administrators, or other staff from individual schools, to support teaching consistent with State or local content standards;

(B) support and time for teachers and other school staff to participate in professional development in the core subjects offered through professional associations, universities, community-based organizations, and other providers including museums and educational partnership organizations;

(C) activities that provide followup for teachers who have participated in professional development activities that are designed to ensure that knowledge and skills learned by the teacher are implemented in the classroom;

(D) support for partnerships between schools, consortia of schools, or local education agencies and institutions of higher education, including but not limited to schools of education, which would encourage teachers to participate in intensive, ongoing professional development programs, both academic and pedagogical, at institutions of higher education, and to encourage students at institutions of higher education studying to become teachers to have direct, practical experience at the schools;

(E) the establishment and maintenance of local professional networks that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

(F) activities to prepare teachers in the effective use of educational technology as an instructional tool for increasing student understanding of the core academic subject areas;

(G) activities to enable teachers to ensure that girls, young women, minorities, limited-English proficient students, individuals with disabilities, and economically disadvantaged individuals the opportunity to achieve the challenging State performance standards in the core academic subjects;

(H) professional development and recruitment activities designed to increase the number of minorities, individuals with disabilities, and females teaching in the core academic subject in which they are underrepresented;

(I) the development of incentive strategies for rewarding schools where a substantial portion of the teachers achieve certification by the National Board for Professional Teaching Standards; and

(J) other sustained and intensive high-quality professional development activities in the core academic subjects.

(d) CURRICULUM DEVELOPMENT.—(1) If the needs assessment of a local educational agency determines that funds under this subpart should be used for curriculum development, such agency shall use the funds provided to develop high quality curricula that is aligned with State or local content and performance standards.

(2) Funds may be used to purchase the curriculum materials to the extent such materials are essential components of the local educational agency's plan to improve teaching and learning in the core academic subjects.

SEC. 2129. HIGHER EDUCATION ACTIVITIES.

(a) GENERAL.—(1) The State agency for higher education, working in conjunction with the State educational agency (if it is a separate agency), shall make grants to, or enter into contracts or cooperative agreements with, institutions of higher education and nonprofit organizations including museums and educational partnership organizations, which demonstrate consultation and cooperation with a local education agency, consortium of local education agencies, or schools, for—

(A) professional development activities in the core academic subject areas that contribute to the State plan for professional development;

(B) engaging teachers in the development of high-quality curricula that are aligned with State or local content and performance standards;

(C) developing and providing assistance to local education agencies, and the teachers and staff of each such agency, for sustained, high-quality professional development activities;

(D) improving teacher education programs in order to promote further innovation in teacher education programs within an institution of higher education and to better meet the needs of the local education agencies for well-prepared teachers;

(2) All such awards shall be made on a competitive basis.

(3) No institution of higher education may receive assistance under subsection (a)(1) of this subsection unless the institution enters into an agreement with a local education agency, or consortium of such agencies, to provide sustained, high-quality professional development for the elementary and secondary school teachers in the schools of each such agency.

(4) Each project funded under this section shall involve a joint effort of the recipient's school or department of education and the schools or departments in the specific disciplines in which assistance may be provided.

(b) ALLOWABLE ACTIVITIES.—A recipient of funds under this section shall use those funds for—

(1) sustained and intensive high-quality professional development for teams of teachers, or teachers and administrators from individual schools or districts;

(2) other sustained and intensive professional development activities related to achievement of the State plan for professional development such as—

(A) establishment and maintenance of professional networks of teachers that provide a forum for interaction among teachers and that allow exchange of information on advances in content and pedagogy;

(B) programs that prepare teachers to be effective users of information technology, able to integrate technology into their pedagogy and their instructional practices, and able

to enhance their curricular offerings by appropriate applications of technology;

(C) programs that utilize information technology to deliver sustained and intensive high quality professional development activities for teachers;

(D) activities to enable teachers to ensure that girls, young women, minorities, limited-English proficient students, individuals with disabilities, and economically disadvantaged individuals have the opportunity to achieve the challenging State performance standards in the core academic subjects;

(E) professional development and recruitment activities designed to increase the number of minorities, individuals with disabilities, and other underrepresented groups teaching in the core academic subjects, particularly in mathematics and science;

(F) establishment of professional development academies operated as partnerships between one or more elementary or secondary schools and one or more institutions of higher education to provide school-based teacher training that provides prospective, novice, and experienced teachers with an opportunity to work under the guidance of master teachers and college faculty members; and

(G) technical assistance to local educational agencies in providing sustained and intensive high quality professional development activities for teachers.

Subpart 3—General Provisions

SEC. 2131. REPORTING AND ACCOUNTABILITY.

(a) STATES.—Each State that receives funds under this part shall submit a report to the Secretary every 3 years on the State's progress toward the performance indicator identified in its State plan, as well as on the effectiveness of State and local activities under this part.

(b) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency that receives funds under this part shall submit a report to the State every 3 years on its progress toward the outcome performance indicators in its plan.

(c) FEDERAL EVALUATION.—The Secretary shall report to the President and Congress on the effectiveness of programs and activities funded under this part.

(d) PROHIBITION ON FUNDS BEING USED FOR CONSTRUCTION OR RENOVATION.—Funds received under this part shall not be used for construction or renovation of buildings, rooms, or any other facilities.

SEC. 2132. DEFINITIONS.

As used in this part, the following terms have the following meanings:

(1) The term "core academic subjects" means those subjects listed in the State plan under title III of the Goals 2000: Educate America Act or under National Education Goal Three as set out in section 102(3) of such Act.

(2) The term "performance indicators" means measures of specific outcomes that the State or local educational agency identifies as assessing progress toward the goal of ensuring that all teachers have the knowledge and skills to assist their students to meet challenging State standards in the core academic subject areas. Examples of such indicators include—

(A) the degree to which licensure requirements are tied to State standards;

(B) specific increases in the number of elementary and secondary teachers with strong content backgrounds in the core academic subjects;

(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited-English proficient individuals, and economically disadvantaged individuals, in order to ensure that all students have the opportunity to achieve challenging performance standards; and

(D) specific increases in the number of Board certified teachers licensed in each core subject.

(3) The term "sustained and intensive high-quality professional development" means professional development activities that—

(A) are tied to challenging State or voluntary national content and performance standards;

(B) reflect up-to-date research in teaching and learning and include integrated content and pedagogical components;

(C) incorporates effective strategies, techniques, methods, and practices for meeting the educational needs of diverse students, including females, minorities, individuals with disabilities, limited English proficient individuals, and economically disadvantaged individuals, in order to assure that all students have the opportunity to achieve challenging performance standards;

(D) are of sufficient intensity and duration to have a positive and lasting impact on the teacher's performance in the classroom or the administrator's performance on the job; and

(E) recognize teachers as an important source of knowledge that should inform and help shape professional development.

(4) The term "local standard" means challenging content and performance standards in the core subjects (in addition to State content and performance standards approved by the State for title I).

PART B—TECHNOLOGY EDUCATION ASSISTANCE

Subpart 1—Assistance to State and Local Educational Agencies

SEC. 2201. SHORT TITLE.

This title may be cited as the Technology Education Assistance Act of 1994.

SEC. 2202. FINDINGS.

The Congress finds that—

(1) technology can produce far greater opportunities for all students to learn to high standards and promote efficiency and effectiveness in education;

(2) the use of technology as a tool in the teaching and learning process is essential to the development and maintenance of a technologically literate citizenry and an internationally competitive workforce;

(3) the acquisition and use of technology in education throughout the United States has been inhibited by the absence of Federal leadership, the inability of many State and local educational agencies to invest in and support needed technologies, and the limited availability of appropriate technology-enhanced curriculum, instruction, teacher training, and administrative support resources and services in the educational marketplace;

(4) educational equalization concerns and school restructuring needs can be addressed through educational telecommunications and technology by offering universal access to high-quality teaching and programs, particularly in urban and rural areas;

(5) in the absence of appropriate educational technology policies, the disparity between rich and poor students will become even greater in a world where technology and telecommunications increasingly have become an integral part of many households;

(6) the increasing use of new technologies and telecommunications systems in business and industry has furthered the gap between schooling and work force preparation;

(7) telecommunications can be a conduit for ongoing teacher training and improved professional development by providing to teachers constant access to updated research in teaching and learning;

(8) research consistently shows that the planned use of technology combined with teachers who are adequately trained in its use can increase opportunities for more students to develop higher order thinking and technical skills than is possible with traditional instruction;

(9) technology can engage students in learning through media with which they are comfortable, and prove to be an effective learning tool, particularly when correlated with State and national curriculum standards;

(10) schools need new ways of financing the acquisition and maintenance of educational technology; and

(11) the needs for educational technology differ from State to State.

SEC. 2203. STATEMENT OF PURPOSE.

The purpose of this Act is to support a comprehensive system for the acquisition and use by elementary and secondary schools in the United States of technology and technology-enhanced curricula, instruction, and administrative support resources and services to improve the delivery of educational services, such system shall include—

(1) national leadership with respect to the need for, and the provision of, appropriate technology-enhanced curriculum, instruction and administrative programs to improve learning in the United States;

(2) funding mechanisms which will support the development, interconnection, implementation, improvement and maintenance of an effective educational technology infrastructure;

(3) information dissemination networks to facilitate access to information on effective learning programs, assessment and evaluation of such programs, research findings, and supporting resources (including instructionally based, technology-enhanced programs, research and resources) by educators throughout the United States;

(4) an extensive variety of opportunities for teacher, inservice training, and administrative training and technical assistance with respect to effective uses of technologies in education;

(5) utilizing and strengthening, not duplicating, existing telecommunications infrastructures dedicated to educational purposes;

(6) development and evaluation of new and emerging educational technologies and telecommunications networks;

(7) assessment data regarding state-of-the-art uses of technologies in United States education upon which commercial and noncommercial telecommunications entities and governments can rely on for decisionmaking about the need for, and provision of, appropriate technologies for education in the United States; and

(8) authorize grants to States that—

(A) improve the academic performance of students through technology;

(B) strengthen the skills of teachers in effectively utilizing technology for student learning;

(C) promote the planned application of technology in education by those who will use the technology; and

(D) encourage collaborative relationships between the State agency for higher education, the State library administrative agency and the State telecommunications agency for education and the State educational agency in the area of technology support to strengthen the system of education.

SEC. 2204. DEFINITIONS.

For purposes of this title—

(1) the terms library and State library administrative agency shall have the same meaning given to such terms in section 3 of the Library Services and Construction Act (Public Law 84–579);

(2) the term Regional Education Laboratory shall have the same meaning given to such term in section 405 of the Department of Education Organization Act. (Public Law 96–88);

(3) the term technology includes closed circuit television systems, public telecommunications entities, cable television, satellite, copper and fiber optic transmission, computer, video and audio laser and CD ROM disc, video and audio tapes or other technologies;

(4) the term credit enhancement means a financial arrangement that enhances the credit quality of the issuer or the financial instrument being used; and

(5) the term interoperability means the ability to communicate with operating systems developed nationally and internationally using multiple network media.

SEC. 2205. IN-STATE APPORTIONMENT.

(a) AUTHORIZATIONS.—The Secretary is authorized to make grants to States in accordance with the provisions of this title to strengthen the skills of educators and improve learning through the use of technology.

(b) ELEMENTARY, SECONDARY EDUCATION PROGRAMS.—(1) For each fiscal year, an amount equal to 70 percent of each State's allotment under section 2212(a)(2) shall be used for elementary and secondary education programs by the State educational agency in accordance with section 2206.

(2) Not less than 90 percent of a State's allotment under this subsection shall be available to local educational agencies including services to adults and families of which not more than 5 percent of the funds available to the local educational agency for any fiscal year may be used for local administration.

(3) Not more than 10 percent of the amount allocated under subsection (a) may be used by the State educational agency for technical assistance and administrative costs of which not less than 50 percent shall be used for technical assistance.

(c) HIGHER EDUCATION PROGRAMS.—(1) For each fiscal year 20 percent of each State's allotment under section 2212(a)(2) shall be used by the State higher education agency designated in the State plan for partnership programs between local educational agencies, including educational services to adults and families and higher education institutions in accordance with section 2207.

(2) Not less than 90 percent of the amount available for this subsection shall be used by the State for grants to institutions of higher education for partnership programs in accordance with the provisions of section 2207.

(3) Not more than 10 percent of the amount allocated to the State's higher education partnership program under this section, may be used for the costs incurred for the evaluation of programs assisted under section 2207; and for administrative costs of the State's higher education agency designated in the State plan.

(d) LIBRARY AND LITERACY PROGRAMS.—(1) For each fiscal year 10 percent of each State's allocation under section 2212(a)(2) shall

be used by the State library administrative agency to support collaborative activities among libraries, literacy programs, and local educational agencies in accordance with section 2208.

(2) Not less than 90 percent of the amount available for this section shall be used by the State for grants to local public libraries and literacy programs in accordance with the provisions of section 2208.

(3) Not more than 10 percent of the amount available under this section may be used by the State for the costs incurred for evaluation of programs assisted under section 2208 and for administrative costs of the State library administrative agency.

SEC. 2206. ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

(a) In General.—The amount apportioned under section 2205(b) from each State's allotment shall be used by the State educational agency to strengthen elementary and secondary education programs in accordance with the provisions of this section.

(b) Local Educational Agencies.—(1) Each local educational agency, including educational services for adults and families, shall use the educational technology funds available under section 2205(b)(2) for—

(A) developing, adapting, or expanding existing and new applications of technology to support the school reform effort; and

(B) funding projects of sufficient size and scope to improve student learning and, as appropriate, support professional development, and provide administrative support.

(2) To be eligible to receive educational technology funds under this section for school or other school managed alternative learning environment, a local educational agency must submit an application to the State educational agency. If the local educational agency has an application approved by the State under title III of the Goals 2000: Educate America Act, the application required by this section shall be a component of (or if necessary an addendum to) its Goals 2000 application. The local educational agency must also receive State approval of a technology use plan which includes—

(A) a description of how the local educational agency plans to use the financial assistance received under section 2205(b)(2) to improve the use of technology in instruction, professional development and administration;

(B) a description of how funds under section 2205(b)(2) will be coordinated with other State, local and Federal resources;

(C) a description of how the school programs will use other resources of the community and involve public agencies, private industry, institutions of higher education, public and private nonprofit organizations, and other appropriate institutions;

(D) assurances that the programs will be evaluated and outcomes reported in terms of the level of implementation of the technology-based resources funded by this title, the impact on teaching and learning, the changes in the school program, and the extent to which the school will sustain the project after funding is terminated;

(E) a description of how the plan will support State and local content and performance standards;

(F) provisions to support, as needed, individual teachers to develop and implement technology-based intervention projects,

including those which respond to the needs of students with disabilities;

(G) a description of how the financial assistance will be used as appropriate for the expansion and improvement of professional development of teachers and other appropriate personnel regarding the use of technology, including the educational use of computers, videos, and telecommunications to enhance learning such training and instruction may be carried out through agreements with public agencies, private industry, institutions of higher education, regional educational laboratories and national research centers, nonprofit organizations (including museums), libraries, educational television stations;

(H) a description of a strategy for the enhanced involvement of parents through the use of technology; and

(I) a description of how the plan will address the needs of students with disabilities.

(3) A local educational agency for any fiscal year may apply for financial assistance as part of a consortium with other local educational agencies, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide local programs. The State educational agency may assist in the formation of consortia between local educational agencies, providers of educational services for adults and families, institutions of higher education, intermediate educational units, libraries, or other appropriate educational entities to provide services for the teachers and students in a local educational agency at the request of such local educational agency.

SEC. 2207. HIGHER EDUCATION PROGRAMS.

(a) IN GENERAL.—The amount apportioned under section 2205(c) from each State's allotment shall be used by the State for education programs in accordance with the provisions of this section.

(b) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.—(1) The State agency for higher education, in accordance with the State educational technology plan filed under section 2209, shall make grants available on a competitive basis to institutions of higher education in the State which form partnerships with one or more local educational agencies.

(2) The amount available under section 2205(c)(2) shall be used for—

(A) professional development for new teachers in the use of technology as an educational tool;

(B) professional development for elementary, secondary, adult and family, and vocational school teachers and training for other appropriate school personnel to improve their ability to use educational technology in their teaching; and

(C) programs to improve student performance in academic and work skill areas through the use of technology.

(3) No institution of higher education may receive assistance under paragraph (2) (A), (B), and (C) unless the institution enters into an agreement with a local educational agency, or consortium of such agencies, to provide professional development for the elementary and secondary school teachers in the public and private schools of the school district of each agency.

(c) COOPERATIVE PROGRAM.—The State higher education agency may use funds described in section 2205(c)(2) to achieve the objectives of section 2207 by establishing cooperative programs among institutions of higher education, private industry, and non-profit organizations, that include one or more local education agencies, for the development and dissemination of projects to improve student performance in academic or work skill areas.

(d) REPORTING.—In accordance with section 2205(c), 5 percent of the funding available for higher education partnerships may be used by the agency for higher education for evaluating the programs funded under this section. Reports on the progress of programs shall be provided to the State educational agency annually.

SEC. 2208. LIBRARY AND LITERACY PROGRAMS.

(a) IN GENERAL.—Except as provided in paragraph (2), the amount apportioned under section 2205(d) from each State's allotment under this section shall be used by the State to assist literacy and education programs in accordance with the provisions of this section.

(b) GRANTS TO LOCAL PUBLIC LIBRARIES.—(1) In accordance with the State education technology plan filed under section 2209, the State library administrative agency shall make grants available on a competitive basis to local public libraries in the State which demonstrate involvement of one or more local educational agencies and literacy programs or organizations in their activities.

(2) The amount available under section 2205(d)(2) shall be used for—

(A) developing programs that help libraries, local educational agencies, and literacy programs use technology to share services and resources and develop collaborative activities that improve their performance and that of the students in academic and work skill areas; and

(B) professional development for library, literacy, and other appropriate personnel to improve their skills in the use of educational technology and telecommunications.

(c) COOPERATIVE PROGRAM.—The State library administration agency may use funds described in section 2205(d)(2) to achieve the objectives of section 2208 by establishing cooperative programs among public libraries, literacy organizations, private industries, and nonprofit education organizations, if such programs include one or more local educational agencies.

(d) REPORTING.—In accordance with section 2205(d), funding available for library and literacy programs may be used by the library administrative agency for reporting and evaluating the programs funded under this section. Reports on the progress of programs shall be provided to the State educational agency annually.

SEC. 2209. STATE EDUCATIONAL TECHNOLOGY PLAN.

(a) APPLICATION.—(1) Each State educational agency which desires to receive a grant under this title shall, in consultation with the State agency for higher education and the State library administrative agency, file a single educational technology plan with the Secretary of Education which covers a period of 5 fiscal years. The State educational agency shall be responsible for funding, supervising, and coordinating programs described under this title and

shall file the educational technology plan at such time, in such manner, and containing or accompanied by such financial, educational and technological information as this section requires or as the Secretary may reasonably require.

(2) Such plan shall be—

(A) integrated with the State's plan either approved or being developed under the Goals 2000: Educate America Act, and shall satisfy the requirements of this section that are not already addressed by that State plan; or

(B) if the State does not have an approved plan under the Goals 2000: Educate America Act and is not developing such a plan, integrated with other State plans under this Act and satisfy the requirements of this section.

(b) CONTENTS OF THE PLAN.—Each such plan shall—

(1) designate the State agency or agencies responsible for administering the elementary and secondary adult and family programs under section 2206, and the higher education programs under section 2207 and designate the State library administrative agency to administer the library and literacy programs under section 2208 in support of improved student learning;

(2) describe a financial plan developed by the State educational agency, which shall describe—

(A) financial assistance mechanisms to best fit the technology needs of the State. Such mechanisms, which must be included in the plan, may include, but not be limited to—

(i) grants;
(ii) matching grants;
(iii) loans;
(iv) loan guarantees; and
(v) other credit enhancements.

(B) describe criteria and approving procedures for submitting applications for programs described in sections 2206, 2207, and 2208 for funding assistance under section 2205 within the State;

(C) delineate processes for auditing and monitoring the use of funds by recipients;

(D) describe priorities for awarding funds under various funding mechanisms; and

(E) construe nothing in subsection (b)(2) to implicitly or explicitly imply that the funds made available under this subsection, through whatever mechanism is chosen by the State agency, and recommended for approval to the Secretary are backed by the full faith and credit of the Federal Government;

(3) designate the State education agency or another single agency to carry out the financial plan developed by the State education agency and to allocate funds received under sections 2205 and 2212(a)(2). Such designated agency shall be responsible for—

(A) maintaining appropriate records of allocation of funds, and, in the case of loans, adequate collection procedures and records;

(B) reporting annually to the Secretary on the use of funds received under section 2212(a)(2);

(4) describe an implementation strategy to coordinate the expenditure of financial assistance paid under sections 2205 and 2212(a)(2) with other State and local funds, other Federal funds and resources;

(5) provide assurances that financial assistance provided under section 2205 shall supplement, not supplant, State and local funds;

(6) describe how business, industry, and other public and private agencies, including libraries, literacy programs, and institutions of higher education, can participate in the implementation, ongoing planning, and support of the plan;

(7) delineate educational problems and needs in the State, describe all learning environments supported by the State plan, and specify how the application of technology will address those and other needs including but not limited to the special needs of—

(A) urban and rural schools;

(B) students with disabilities; and

(C) disadvantaged students;

(8) provide assurances that—

(A) during the 5-year period of the plan, the State shall evaluate its standards for teacher preparation in the use of technology; and

(B) programs conducted with State funds available under this title shall be evaluated and an evaluation report shall be submitted to the Secretary at the close of the third year of funding;

(9) describe how the State educational agency will promote the purchase of equipment by local school districts and schools that, when placed in operation, will provide the greatest accessibility and equity for students and meet the highest level of interoperability and open system design within the emerging broad-based electronic information highway that includes schools within the State;

(10) describe the State's strategy for ensuring that teachers, administrators and other education personnel have access to the necessary staff development and technical assistance to improve teaching and learning, school administration, and the electronic transfer of, and access to, information;

(11) establish a method for continuously gathering and disseminating current and emerging information on all aspects of educational technology to all educators within the State;

(12) describe how the State's planned use of technology is supportive of the national education goals;

(13) provide performance indicators and an evaluation method for the State plan; and

(14) create a planning process through which such plan is reviewed and updated periodically.

(c) APPROVAL OF PLANS.—(1) The State educational agency shall submit a plan for approval to the Secretary who shall expeditiously review such State plan.

(2) Any State that submits a plan that is not approved shall receive assistance from the Secretary to improve its plan.

SEC. 2210. LOCAL EDUCATIONAL TECHNOLOGY PLAN.

(a) APPLICATION.—A local educational agency that desires to receive financial assistance under section 2205, shall submit to the State educational agency (singly or in conjunction with other local educational agencies, institutions of higher education, or an intermediate educational unit) a plan which covers a 3-year period.

(b) CONTENTS OF THE PLAN.—A local educational agency plan shall—

(1) assure that the programs will be evaluated, and outcomes reported in terms of —

(A) the level of implementation of the technology-based resources funded by this title;

(B) the impact on teaching and learning; and

(C) the extent to which the school or other appropriate learning environments will sustain the project after funding is terminated;

(2) be consistent with district level planning for educational technology, and shall support the local and State's curriculum frameworks;

(3) make provision for technical support and professional development as needed for individual teachers to develop and implement technology-assisted instruction; and

(4) provide a strategy for the enhanced involvement of parents through the use of technology.

SEC. 2211. FEDERAL ADMINISTRATION.

(a) EVALUATION PROCEDURES.—The Secretary shall, with State and local representatives, develop procedures for State and local evaluations of the programs under this title.

(b) EVALUATION SUMMARY.—The Secretary shall submit to the Congress 4 years after the enactment of this bill a summary of the State evaluations of programs under this subpart.

SEC. 2212. ALLOCATION OF FUNDS.

(a) IN GENERAL.—(1) From the amount appropriated under section 2213 for any fiscal year, the Secretary shall reserve—

(A) not more than one half of one percent for allocation among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this subpart; and

(B) one half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior consistent with the purposes of this subpart;

(2) The remainder of the amount so appropriated after meeting the requirements of paragraph (1) shall be allocated among the States (for purposes of this section, the District of Columbia and Puerto Rico shall be considered as States) with approved state plans under section 2209 as follows—

(A) ½ of such remainder shall be allocated among the States by allocating to each State an amount which bears the same ratio to such ½ of such remainder as the number of children

aged 5 to 17, inclusive, in the State bears to the number of such children in all States;

(B) ½ of such remainder shall be allocated among the States according to each State's share of allocations under part A of title I of the Elementary and Secondary Education Act of 1965, except that no State shall receive less than ½ of 1 percent of the amount available under this subsection in any fiscal year or less than the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act;

(C) for the purposes of this subsection, the term State does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands; and

(D) the number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

(3) The Secretary shall make payments under paragraphs (1)(A) and (1)(B) on whatever terms the Secretary determines will best carry out the purposes of title I of this Act.

(b) Reallotment of Unused Funds.—(1) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year to carry out part B of title II shall be available for reallotment from time to time, on such dates during such year as the Secretary may determine, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year.

(2) The total of reductions under paragraph (1) shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a subpart of its allotment under subsection (a) for such year.

SEC. 2213. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $300,000,000 for this subpart for 1995 and such sums as may be necessary for each of the fiscal years 1996 through 1999.

Subpart 2—Research, Development, and Demonstration of Educational Technology

SEC. 2214. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) technology has the potential to assist and support the improvement of teaching and learning in schools and other settings;

(2) technology can provide students, parents, teachers, and other education professionals with increased access to information, instruction, and educational services in schools and other settings, including homes, libraries, preschool and child-care facilities, and postsecondary institutions;

(3) technology can produce far greater opportunities for all students to learn to high standards and to promote efficiency and effectiveness in education; and

(4) the rapidly changing nature of technology requires coordination and flexibility in Federal leadership.

(b) PURPOSES.—The purposes of this subpart are to promote achievement of the National Education Goals and to increase the opportunity for all students to achieve to challenging State standards by—

(1) promoting awareness of the potential of technology for improving teaching and learning;

(2) supporting State and local efforts to increase the effective use of technology for education;

(3) demonstrating ways in which technology can be used to improve teaching and learning, and to help ensure that all students have an equal opportunity to meet challenging State education standards;

(4) ensuring the availability of knowledge drawn from research and experience that can form the basis for sound State and local decisions about investment in, and effective uses of, educational technology;

(5) promoting high-quality professional development opportunities for teachers and administrators on the integration of technology into instruction and administration;

(6) ensuring that Federal technology-related policies and programs facilitate the use of technology in education; and

(7) ensuring that, as technological advances are made, the educational uses of these advances are considered and their applications are developed.

SEC. 2215. OFFICE OF EDUCATIONAL TECHNOLOGY.

There is established in the Department an Office of Educational Technology, which shall be administered by a Director of Educational Technology appointed by the Secretary. The Office of Educational Technology, in consultation with other appropriate agencies, shall provide leadership to the Nation in the use of technology to promote achievement of the National Education Goals and to increase opportunities for all students to achieve to challenging State standards, and shall perform such additional functions as the Secretary may require.

SEC. 2216. NATIONAL LONG-RANGE PLAN.

(a) IN GENERAL.—(1) The Secretary shall develop and publish by September 30, 1995, and update when appropriate, a national long-range plan to carry out the purposes of this subpart.

(2) The Secretary shall—

(A) develop the plan in consultation with other Federal agencies, State and local education practitioners and policy-makers, experts in technology and the educational applications of technology, and providers of technology services and products;

(B) transmit the plan to the President and to the appropriate committees of the Congress; and

(C) publish the plan in a form that is readily accessible to the public.

(b) CONTENTS OF THE PLAN.—The national long-range plan shall describe the Secretary's activities to promote the purposes of this subpart, including—

(1) how the Secretary will encourage the effective use of technology to provide all students the opportunity to achieve to challenging State standards, especially through programs administered by the Department;

(2) joint activities with other Federal agencies, such as the National Endowment for the Humanities, the National Endowment for the Arts, the National Aeronautics and Space Administration, the National Science Foundation, and the Departments of Commerce, Energy, Health and Human Services, and Labor, to promote the use of technology in education, and training and lifelong learning, including plans for the educational uses of a national information infrastructure, and to ensure that the policies and programs of such agencies facilitate the use of technology for educational purposes to the extent feasible;

(3) how the Secretary will work with educators, State and local educational agencies, and appropriate representatives of the private sector to facilitate the effective use of technology in education;

(4) how the Secretary will promote—

(A) increased access to the benefits of technology for teaching and learning for schools with high concentrations of children from low-income families;

(B) the use of technology to assist in the implementation of State systemic reform strategies;

(C) the application of technological advances to use in education; and

(D) increased opportunities for the professional development of teachers in the use of new technologies;

(5) how the Secretary will determine, in consultation with appropriate individuals, organizations, and agencies, the feasibility and desirability of establishing guidelines and protocols to facilitate effective use of technology in education; and

(6) the Secretary's long-range measurable goals and objectives relating to the purposes of this subpart.

SEC. 2217. FEDERAL LEADERSHIP.

(a) PROGRAM AUTHORIZED.—(1) In order to provide Federal leadership in promoting the use of technology in education, the Secretary, in consultation with the National Science Foundation, the Department of Commerce, and other appropriate Federal agencies, may carry out activities designed to achieve the purposes of this subpart directly or by awarding grants (pursuant to a peer review process) to, or entering into contracts with, State educational agencies, local educational agencies, institutions of higher education, or other public and private nonprofit or for-profit agencies and organizations.

(2) For the purpose of carrying out coordinated or joint activities consistent with the purposes of this subpart, the Secretary may accept funds from, and transfer funds to, other Federal agencies.

(b) USES OF FUNDS.—The Secretary may use funds appropriated under this subpart for activities designed to carry out the purpose

of this subpart, and to meet the goals and objectives of the national long-range plan under section 2216, including—

(1) planning grants to States and local education agencies, to enable such entities to examine and develop strategies for the effective use of technology to help achieve the objectives of the Goals 2000: Educate America Act and the School-to-Work Opportunities Act of 1993;

(2) development grants to technical assistance providers, to enable them to improve substantially the services they offer to educators on the educational uses of technology, including professional development;

(3) consulting with representatives of industry, elementary and secondary education, higher education, and appropriate experts in technology and its educational applications in carrying out activities under this subpart;

(4) research on, and the development of, guidelines and protocols to facilitate efficient and effective use of technology in education;

(5) research on, and the development of, educational applications of the most advanced and newly emerging technologies;

(6) the development, demonstration, and evaluation of applications of existing technology in preschool education, elementary and secondary education, training and lifelong learning, and professional development of educational personnel;

(7) the development and evaluation of software and other products, including television programming, that incorporate advances in technology and help achieve the National Education Goals and challenging State standards;

(8) the development, demonstration, and evaluation of model strategies for preparing teachers and other personnel to use technology effectively to improve teaching and learning;

(9) the development of model programs to demonstrate the educational effectiveness of technology in urban and rural areas and economically-distressed communities;

(10) research on, and the evaluation of, the effectiveness and benefits of technology in education;

(11) conferences on, and dissemination of information about, the uses of technology in education;

(12) the development of model strategies to promote gender equity concerning access to, and the use of, technology in the classroom; and

(13) such other activities as the Secretary determines would meet the purposes of this subpart.

(c) NON-FEDERAL SHARE.—(1) Subject to paragraph (2), the Secretary is authorized to require any recipient of a grant or contract under this subpart to share in the cost of its project, which share shall be announced through a notice in the Federal Register and may be in the form of cash or in-kind contributions, fairly valued.

(2) The Secretary may increase the non-Federal share required of such recipient after the first year of the recipient's project, except that such share may not exceed 50 percent at any time during the recipient's project.

SEC. 2218. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1999.

Subpart 3—Star Schools Program

SEC. 2219. FINDINGS.

Sec. 3121. The Congress finds that—

(1) the Star Schools program has helped to encourage the use of distance learning strategies to serve multi-State regions primarily by means of satellite and broadcast television;

(2) in general, distance learning programs have been used effectively to provide students in small, rural, and isolated schools with courses and instruction, such as science and foreign language instruction, that the local educational agency would not otherwise have been able to provide; and

(3) distance learning programs could also be used to—

(A) provide students in all types of schools and local educational agencies with greater access to high-quality instruction in the full range of core academic subjects that would enable them to meet challenging, internationally competitive, educational standards;

(B) expand professional development opportunities for teachers;

(C) contribute to achievement of the National Education Goals; and

(D) expand learning opportunities for everyone.

SEC. 2220. STATEMENT OF PURPOSE.

The purpose of this subpart is to encourage the expansion and use of distance learning programs and technologies to help—

(1) improve teaching and learning;

(2) achieve the National Education Goals;

(3) all students learn to challenging State content standards; and

(4) increase participation in State and local educational reform.

SEC. 2221. PROGRAM AUTHORIZED.

(a) Star School Awards.—The Secretary is authorized, in accordance with this subpart, to make grants to eligible entities for the Federal share of the cost of providing distance learning programs, including—

(1) developing, constructing, and acquiring telecommunications facilities and equipment;

(2) developing and acquiring instructional programming; and

(3) providing technical assistance regarding the use of such facilities and instructional programming.

(b) Authorization of Appropriations.—For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1999.

(c) Limitations.—(1) A grant under this section shall not exceed—

(A) five years in duration; and

(B) $10,000,000 in any one fiscal year.

(2) Not less than 25 percent of the funds available to the Secretary for any fiscal year under this subpart shall be used for the cost of instructional programming.

(3) Not less than 50 percent of the funds available to the Secretary for any fiscal year under this subpart shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies that are eligible to receive assistance under part A of title I of this Act.

(d) Federal Share.—(1) The Federal share of the cost of projects funded under this section shall not exceed 75 percent for the first and second years of the award, 60 percent for the third and fourth years, and 50 percent for the fifth year.

(2) The Secretary may reduce or waive the requirement of the non-Federal share under paragraph (1) upon a showing of financial hardship.

(e) Authority To Accept Funds From Other Agencies.—The Secretary is authorized to accept funds from other agencies to carry out the purposes of this section, including funds for the purchase of equipment.

SEC. 2222. ELIGIBLE ENTITIES.

(a) Eligible Entities.—(1) The Secretary may make a grant under section 2221 to any eligible entity, provided that at least one local educational agency is participating in the proposed project.

(2) An eligible entity may include—

(A) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools that are eligible to participate in the program under part A of title I of this Act; or

(B) any two or more of the following, which will provide a telecommunications network:

(i) a local educational agency that has a significant number of elementary and secondary schools that are eligible for assistance under part A of title I of this Act, or elementary and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(b)(1) of this Act;

(ii) a State educational agency;

(iii) an institution of higher education or a State higher education agency;

(iv) a teacher training center or academy that—

(I) provides teacher pre-service and in-service training; and

(II) receives Federal financial assistance or has been approved by a State agency;

(v)(I) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or

(II) a public broadcasting entity with such experience; or

(vi) a public or private elementary or secondary school.

SEC. 2223. APPLICATIONS.

(a) GENERAL REQUIREMENT.—Each eligible entity that desires to receive a grant under this subpart shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

(b) STAR SCHOOL AWARD APPLICATIONS.—Each application for a grant authorized under section 2221 shall—

(1) describe—

(A) how the proposed project will assist in achieving the National Education Goals set out in title I of the Goals 2000: Educate America Act, how it will assist all students to have an opportunity to learn to challenging State standards, and how it will assist State and local educational reform efforts;

(B) the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

(i) the design, development, construction, and acquisition of district, multidistrict, State, or multistate educational telecommunications networks and technology resource centers;

(ii) microwave, fiber optics, cable, and satellite transmission equipment, or any combination thereof;

(iii) reception facilities, satellite time, production facilities, and other telecommunications equipment capable of serving the intended geographic area;

(iv) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought in using such facilities and equipment, and in integrating programs into the class curriculum; and

(v) the development of educational and related programming for use on a telecommunications network;

(C) the types of programming that will be developed to enhance instruction and training, including an assurance that such programming will be designed in consultation with professionals who are experts in the applicable subject matter and grade level;

(D) how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines;

(E) the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

(F) the manner in which historically underserved students (such as students from low-income families, limited English proficient students, disabled students, or students who have low literacy skills) and their families will participate in the benefits of the telecommunications facilities,

equipment, technical assistance, and programming assisted under this subpart;

(G) how existing telecommunications equipment, facilities, and services, where available, will be used;

(H) the activities or services for which assistance is sought, such as—

(i) providing facilities, equipment, training services, and technical assistance;

(ii) making programs accessible to individuals with disabilities through mechanisms such as closed captioning and descriptive video services;

(iii) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

(iv) sharing curriculum materials between networks;

(v) providing teacher and student support services;

(vi) incorporating community resources such as libraries and museums into instructional programs;

(vii) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff; and

(viii) providing programs for adults at times other than the regular school day in order to maximize the use of telecommunications facilities and equipment; and

(I) how the proposed project as a whole will be financed and how arrangements for future financing will be developed before the project expires;

(2) provide an assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I of this Act; and

(3) provide an assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this subpart.

(c) PRIORITIES.—The Secretary shall, in approving applications for grants authorized under section 2221, give priority to applications that—

(1) propose high-quality plans to assist in achieving one or more of the National Education Goals as set out in title I of the Goals 2000: Educate America Act, would provide instruction consistent with State content standards, or would otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform under title III of the Goals 2000: Educate America Act; and

(2) would serve schools with significant numbers of children counted for the purposes of part A of title I of this Act.

(d) GEOGRAPHIC DISTRIBUTION.—In approving applications for grants authorized under section 2221, the Secretary shall, to the extent feasible, ensure an equitable geographic distribution of services.

SEC. 2224. LEADERSHIP AND EVALUATION ACTIVITIES.

(a) SET-ASIDE.—From amounts appropriated under section 2221(b), the Secretary may reserve up to 10 percent for national leadership, evaluation, and peer review activities.

(b) METHOD OF FUNDING.—The Secretary may fund the activities described in subsection (a) directly or through grants, contracts, and cooperative agreements.

(c) USES OF FUNDS.—(1) Funds reserved for leadership activities may be used for—

(A) disseminating information, including lists and descriptions of services available from recipients; and

(B) other activities designed to enhance the quality of distance learning activities nationwide.

(2) Funds reserved for evaluation activities shall be used to conduct independent evaluations of the Star Schools program under this subpart and of distance learning in general, including—

(A) analyses of distance learning efforts, including both Star Schools projects and efforts not funded by the program under this subpart; and

(B) comparisons of the effects, including student outcomes, of different technologies in distance learning efforts.

(3) Funds reserved for peer review activities may be used for peer review of both proposals and funded projects.

SEC. 2225. DEFINITIONS.

For the purpose of this subpart, the following terms have the following meanings:

(1) The term "educational institution" means an institution of higher education, a local educational agency, or a State educational agency.

(2) The term "instructional programming" means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices.

(3) The term "public broadcasting entity" has the same meaning given that term in section 397 of the Communications Act of 1934.

Subpart 4—Development of Educational Technology Products

SEC. 2226. EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT.

(a) PURPOSE.—It is the purpose of this section to support the development of curriculum-based learning resources and systems using state-of-the-art technologies and techniques designed to improve student learning.

(b) FEDERAL ASSISTANCE AUTHORIZED.—

(1) IN GENERAL.—The Secretary shall provide assistance, on a competitive basis, to eligible consortia to enable such entities to develop, produce, and distribute state-of-the-art technology-enhanced instructional resources and programming for use in

the classroom or to support professional development for teachers.

(2) GRANTS AND LOANS AUTHORIZED.—In carrying out the purposes of this section, the Secretary is authorized to pay the Federal share of the cost of the development, production, and distribution of state-of-the-art technology enhanced instructional resources and programming—

(A) by awarding grants to, or entering into contracts or cooperative agreements with eligible consortia; or

(B) by awarding loans to eligible consortia which—

(i) shall be secured in such manner and be repaid within such period, not exceeding 20 years, as may be determined by the Secretary;

(ii) shall bear interest at a rate determined by the Secretary which shall be not more than the total of one-quarter of 1 percent per annum added to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury;

(iii) may be forgiven by the Secretary, in an amount not to exceed 25 percent of the total loan, under such terms and conditions as the Secretary may consider appropriate.

(3) FEDERAL SHARE.—The Secretary shall require any recipient of a grant, contract, or loan under this section to share in the cost of the activities supported with such assistance.

(4) ELIGIBLE CONSORTIUM.—For the purpose of this section, the term "eligible consortium" means a consortium consisting of—

(A) State or local educational agencies in partnership with business, industry, or telecommunications entity;

(B) a business, industry, or telecommunications entity;

(C) a public or private nonprofit organization; or

(D) an institution of higher education.

(5) PRIVATE SECTOR ADVISORY BOARD.—The Secretary shall establish an advisory board which shall provide advice and counsel to the Secretary concerning the most effective means of implementing the provisions of this section. Such board shall—

(A) include educators, school administrators, and policymakers knowledgeable about the technology and curriculum needs of State and local education agencies;

(B) include representatives of private for-profit and nonprofit entities engaged in the production and development of educational software and other technology-based learning resources;

(C) make recommendations to the Secretary concerning the types and terms of Federal financial assistance which promise to be most effective in advancing the purposes of this section;

(D) regularly evaluate the implementation of this section.

(6) PRIORITIES.—In awarding assistance under this section, the Secretary shall give priority to applications describing programs or systems that—

(A) promote the acquisition of higher-order thinking skills and promise to raise the achievement levels of all stu-

dents, particularly disadvantaged students who are not realizing their potential;

(B) are aligned with challenging content standards and State and local curriculum frameworks;

(C) may be adapted and applied nationally at a reasonable cost;

(D) covert technology resources developed with support from the Department of Defense and other Federal agencies for effective use in the classroom;

(E) promise to reduce the costs of providing high-quality instruction;

(F) promise to expand access to high-quality instruction in content areas which would otherwise not be available to students in rural and urban communities or who attend other educational agencies with limited financial resources.

(7) REQUIREMENTS FOR FEDERAL ASSISTANCE.—Each eligible consortium desiring Federal assistance under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe. Each application shall include—

(A) a description of how the program or system shall improve the achievement levels of students;

(B) a description of how teachers associated with the program will be trained to integrate technology in the classroom;

(C) a description of how the design, development, piloting, field testing, and distribution of the program or system will be carried out;

(D) an assurance that the program or system shall effectively serve a large number or percentage of economically disadvantaged students;

(E) plans for dissemination to a wide audience of learners; and

(F) provisions for closed captioning or descriptive video where appropriate.

(c) EVALUATION.—The Secretary shall provide for the independent evaluation of programs or systems developed with assistance under this section and shall regularly collect and disseminate to State and local educational agencies and to the public information about the usefulness and effectiveness of such programs or systems.

(d) ROYALTIES.—Notwithstanding any other provision of law, the Secretary is authorized to require that a portion of any royalty paid as a result of assistance provided under this section be deposited in a central fund for the purposes of—

(1) recovering all or part of the Federal share of the costs of developing, producing, and distributing the product for which such royalty is paid; and

(2) carrying out the provisions of this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996, 1997, 1998, and 1999.

PART C—LIBRARY MEDIA PROGRAM

SEC. 2231. ESTABLISHMENT OF PROGRAM.

The Secretary shall award grants from allocations under section 2232 to States for the acquisition of school library media resources for the use of students, library media specialists, and teachers in elementary and secondary schools.

SEC. 2232. ALLOCATION TO STATES.

From the amount appropriated pursuant to section 2205 in each fiscal year, the Secretary shall allocate to each State having an approved plan under section 2233 as follows:

(1) For appropriations below $50,000,000, at the discretion of the Secretary, taking into account such factors as the age and condition of the State's existing library media collections.

(2) For appropriations of $50,000,000 and above to each State an amount which bears the same ratio to such funds as the amount such State received under section 1122 of title I bears to the amount all States received under section 1122 in such year; except that no State shall receive less than one-half of one percent of such funds.

SEC. 2233. STATE PLANS.

(a) IN GENERAL.—In order for a State to receive an allocation of funds under section 2232 for any fiscal year, such State shall have in effect for such fiscal year a State plan. Such plan shall—

(1) designate the State educational agency as the State agency responsible for the administration of the program described in this part;

(2) set forth a program under which funds paid to the State from its allocation under section 2202 will be expended solely for—

(A) acquisition of school library media resources, including foreign language resources, for the use of students, school library media specialists, and teachers in elementary and secondary schools in the United States; and

(B) administration of the State plan, including development and revision of standards, relating to school library media resources; except that the amount used for administration of the State plan in any fiscal year shall not exceed 5 percent of the amount allocated to such State under section 2232 for such fiscal year; and

(3) set forth the criteria to be used in allotting funds for school library media resources among the local educational agencies of the State, which allotment shall take into consideration the relative need of the students, school media specialists, and teachers to be served.

(b) PLAN SUBMISSION.—The State plan may be submitted as part of a consolidated application under section 9302.

SEC. 2234. DISTRIBUTION OF ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

From the funds allocated to a State under section 2202 in each fiscal year, such State shall distribute not less than 99 percent of such funds in such year to local educational agencies within such State according to the relative enrollment of students in elementary *and secondary schools within the school districts of such State, adjusted to provide higher per-pupil allotments to local educational agencies that have the greatest number or percentages of students whose education imposes a higher than average cost per child, such as those students—*

(1) living in areas with high concentrations of low-income families;

(2) from low-income families; and

(3) living in sparsely populated areas.

SEC. 2235. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $200,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART D—SUPPORT AND ASSISTANCE FOR ESEA PROGRAMS

SEC. 2341. FINDINGS.

The Congress finds that—

(1) high-quality technical assistance can enhance the improvements in teaching and learning achieved through the implementation of programs under this Act;

(2) comprehensive technical assistance and effective program dissemination are essential ingredients of the overall strategy of the reauthorization of this Act to improve programs and to provide all children opportunities to meet challenging State performance standards;

(3) States, local educational agencies, tribes, and schools serving students with special needs, such as students with limited English proficiency, have great need for comprehensive technical assistance in order to use funds under this Act to provide such students with opportunities to learn to challenging State standards;

(4) current technical assistance and dissemination efforts are fragmented and categorical in nature, and thus fail to address adequately the needs of States and local educational agencies and tribes for help in integrating into a coherent strategy for improving teaching and learning the various programs under this Act with State and local programs and other education reform efforts;

(5) too little creative use is made of technology as a means of providing information and assistance in a cost-effective way;

(6) comprehensive technical assistance can help schools and school systems focus on improving opportunities for all children to reach challenging State performance standards, as they implement programs under this Act;

(7) comprehensive technical assistance would provide coordinated assistance to help States, local educational agencies, tribes, participating colleges and universities, and schools integrate Federal, State, and local education programs in ways that contribute to improving schools and entire school systems;

(8) technical assistance in support of programs under this Act should be coordinated with the Department's regional offices,

the regional educational laboratories, State Literacy Resource Centers, vocational resource centers, and other technical assistance efforts supported by the Department;

(9) technical assistance providers should prioritize assistance to local educational agencies and schools; and

(10) technical assistance should both encourage the integration of categorical programs and ensure that students with special needs, such as limited English proficiency students, are served fully.

SEC. 2342. PURPOSE.

The purpose of this part is to create a national technical assistance and dissemination system to make available to States, local educational agencies, tribes, schools, and other recipients of funds under this Act technical assistance in—

(1) implementing programs authorized by this Act in a manner that improves teaching and learning for all students;

(2) coordinating those programs with other Federal, State, and local education plans and activities, so that all students are provided opportunities to meet challenging State performance standards, in particular students at risk of educational failure; and

(3) adopting, adapting, and implementing promising and proven practices for improving teaching and learning.

SEC. 2343. PROGRAMS AUTHORIZED.

(a) COMPREHENSIVE ASSISTANCE CENTERS.—The Secretary is authorized to award grants or enter into contracts with public or private nonprofit entities or consortia to establish a networked system of 15 centers to provide comprehensive research-based training and technical assistance to States, local educational agencies, schools, tribes, community-based organizations, and other recipients of funds under this Act in their administration and implementation of programs authorized by this Act. In establishing centers and allocating resources among the centers, the Secretary shall consider the geographic distribution of title I students; the geographic and linguistic distribution of students of limited English proficiency; the geographic distribution of Indian students; the special needs of students living in rural areas; and the special needs of States and territories in geographic isolation.

(b) STATE-BASED ASSISTANCE.—The Secretary is authorized to award grants or enter into contracts with public and private nonprofit entities to establish an assistance agency in each State and territory and in the Bureau of Indian Affairs. This program shall be called the National Diffusion Network and will assist States, local educational agencies, and schools in identifying and securing appropriate, high-quality technical assistance, provide information on and assistance in adopting effective programs and practices, and work cooperatively with the Comprehensive Assistance Centers to improve teaching and learning and raise standards for all students.

(c) ACCOUNTABILITY.—To ensure the quality and effectiveness of the comprehensive assistance centers supported under this part, the Secretary shall—

(1) provide for an external peer review (including representatives of the populations served under this Act) of the centers under this part every 2 years;

(2) develop, in consultation with the Assistant Secretary for Elementary and Secondary Education, the Director of Bilingual Education and Minority Languages Affairs, and the Assistant Secretary for Educational Research and Improvement, a set of performance indicators, for use during the peer reviews required by paragraph (1), that assesses whether the work of the centers assists in improving teaching and learning under this Act for all children, in particular children at risk of educational failure;

(3) require each center to publish, and disseminate widely throughout its region, an annual report on its services and accomplishments and how those services and accomplishments relate to the performance indicators developed under paragraph (2);

(4) conduct periodic surveys of users of the centers' services to determine if users are satisfied with the access to and quality of such services;

(5) collect, as part of the Department's reviews of programs under this Act, information about the availability and quality of services provided by the centers, and share that information with the centers;

(6) take whatever steps are reasonable and necessary to ensure that each center performs its responsibilities in a satisfactory manner, which may include termination of an award under this part (if the Secretary concludes that performance has been unsatisfactory) and the selection of a new center, as well as whatever interim arrangements the Secretary determines are necessary to ensure the satisfactory delivery of services under this part to the affected region; and

(7) provide for an independent evaluation of the system of technical assistance centers authorized by this part and report the results of that evaluation to Congress prior to the next reauthorization of this Act.

(c) CONTRACT PERIOD.—Grants or contracts awarded under this section shall be awarded for a period of 5 years following the extension of contracts and grants under section 2206(c).

SEC. 2344. REQUIREMENTS OF COMPREHENSIVE ASSISTANCE CENTERS.

Each comprehensive assistance center established under section 2343(a)—

(1) shall maintain staff expertise in at least all of the following areas:

(A) Instruction, curriculum improvement, assessment, school reform, and other aspects of title I of this Act.

(B) Meeting the needs of children served under this Act, including children in high-poverty areas, migratory children, immigrant children, children with limited English proficiency, neglected or delinquent children, homeless children and youth, Indian children, and children with disabilities and where applicable, Alaskan Native children and Native Hawaiian children.

(C) Professional development for teachers, other school staff, and administrators to help students meet challenging State performance standards.

(D) Bilingual education, including programs that emphasize English and native language proficiency and promote multicultural understanding.

(E) Safe and drug-free schools.

(F) Educational applications of technology.

(G) Parent involvement and participation.

(H) The reform of schools and school systems.

(I) Program evaluation.

(J) Coordination of services.

(K) School governance and management.

(L) Partnerships between the public and private sector, including the formation of partnerships between schools and businesses.

(2) shall ensure, where appropriate, staff expertise in the special needs of students living in rural areas and in the special needs of local education agencies serving rural areas;

(3) shall ensure that technical assistance staff have sufficient training, knowledge, and expertise in how to integrate and coordinate programs under this Act with each other, as well as with other Federal, State, and local programs and reforms, and reflect the diverse linguistic and cultural expertise appropriate to the region served;

(4) shall provide technical assistance using the highest quality and most cost-effective strategies possible;

(5) shall coordinate services, work cooperatively, and regularly share information with the regional education laboratories, the Eisenhower Regional Math and Science consortia, research and development centers, and other entities engaged in research, development, dissemination, and technical assistance activities which are supported by the Department of Education as part of a Federal technical assistance system, to provide a broad range of support services to schools in the region while minimizing the duplication of such services; and

(6) shall provide services to States, local educational agencies, tribes, and schools through or in coordination with the State Facilitators of the National Diffusion Network as authorized in section 2343(b) in order to better implement the purposes of this section and provide the support and assistance diffusion agents need to carry out their mission effectively.

SEC. 2345. DUTIES OF COMPREHENSIVE ASSISTANCE CENTERS.

(a) IN GENERAL.—Each center established under section 2303(a) shall provide comprehensive, integrated technical assistance services focused on improving teaching and learning.

(b) SUPPORT AND ASSISTANCE.—Comprehensive centers shall provide support and assistance to State educational agencies, tribal divisions of education, local educational agencies, schools, and other grant recipients under this Act in—

(1) the development of plans for integrating programs under this Act with other Federal programs and with State, local and tribal reform efforts;

(2) the development, selection, and use of challenging, high-quality curricula aligned with high standards and assessments;

(3) the identification, adaptation, or development of instructional strategies and materials which meet the needs of children receiving assistance under this Act;

(4) the development of valid, reliable, and nondiscriminatory systems of assessment which reflect recent advances in the field of education assessment;

(5) the development, selection, and implementation of effective schoolwide projects;

(6) improving the capacity of educators, school administrators, counselors, and other school personnel to assist students to reach challenging standards, especially those students furthest from such standards, through the expansion and strengthening of professional development activities;

(7) expanding and improving opportunities for parents to participate in the education of their children at home and at school;

(8) creating safe and drug-free environments, especially in areas experiencing high levels of drug use and violence in the community and schools;

(9) the coordination of services and programs to meet the needs of students so that they can fully participate in the educational program of the school;

(10) the evaluation of educational programs;

(11) educational applications of technology, when appropriate, in coordination with the regional mathematics and science education consortia;

(12) reforming the governance and management of schools; and

(13) establishing public/private education partnerships, including school/business partnerships.

(c) ADDITIONAL DUTIES.—Additional duties include—

(1) assisting States, local educational agencies, tribal divisions of education, and schools in replicating and adapting exemplary and promising educational programs, policies, and practices through or in coordination with the National Diffusion Network State Facilitator;

(2) assisting State educational agencies and local educational agencies to develop school support teams to work with schoolwide programs under title I of this Act; and

(3) assisting State educational agencies, local educational agencies, and the National Diffusion Network State Facilitators to increase their capacity to provide high-quality technical assistance in support of programs under this Act.

SEC. 2346. MAINTENANCE OF SERVICE.

(a) MAINTENANCE OF EFFORT.—The Secretary shall ensure that the comprehensive assistance centers funded under this part provide technical assistance services that address the needs of bilingual, migrant, immigrant, and Indian students that are at least comparable to the level of such technical assistance services provided under programs administered by the Secretary prior to the date of the enactment of the Improving America's Schools Act of 1994.

(b) MINIMUM FUNDS.—

(1) Maintenance of effort.—In awarding grants or contracts for comprehensive assistance centers, the Secretary shall ensure that the proportion of funds used to provide services that address the needs of limited-English-proficient, immigrant, and migrant students shall be no less than the proportion of funds expended under grants or contracts expiring in fiscal year 1995 for categorical technical assistance centers serving limited-English-proficient and migrant students.

(2) Indian students.—In awarding grants or contracts for comprehensive assistance centers, the Secretary shall ensure that the proportion of funds used to provide services that address the need of Indian students through the comprehensive centers established in section 2343(a) shall be no less than the proportion of funds expended under grants or contracts expiring in fiscal year 1995 for technical assistance centers serving Indian students.

(c) Application.—Applications for funds under subsection (a)(2) shall include how centers will—

(1) provide expertise in the areas listed in section 2344(l);

(2) work with the National Diffusion Network authorized in section 2343(b) to conduct outreach to local educational agencies prioritized in section 2348;

(3) demonstrate support from States and local educational agencies and tribes in the area to be served;

(4) ensure a fair distribution of services to urban and rural areas;

(5) utilize technology to provide technical assistance; and

(6) provide other information the Secretary may require.

In approving applications to comprehensive centers serving Indian students, the Secretary shall give priority to applications from consortia that include Indian educational agencies, organizations, or institutions.

(d) Transition.—The Secretary shall, notwithstanding any other provision of law, use funds appropriated under section 2351 to extend or continue existing contracts and grants for categorical technical assistance centers and for National Diffusion Network State Facilitator and Developer Demonstrators through fiscal year 1995 and take other necessary steps to ensure a smooth transition of this part.

SEC. 2347. STATE-BASED ACTIVITIES.

(a) Purposes.—The Secretary shall establish a State-based outreach, dissemination, training, and consultation component of the National Technical Assistance and Dissemination System through the National Diffusion Network and its State Facilitators.

(b) In General.—The Department of Education, through the Office of Educational Research and Improvement shall award grants or enter into contracts with public or private nonprofit educational organizations or institutions in each State with demonstrated experience, expertise, and commitment in the areas of applied education research and program dissemination to carry out activities described in subsection (c).

(c) National Diffusion Network State Facilitator.—National Diffusion Network State Facilitators shall work in coordination with the comprehensive assistance centers to assist State edu-

cational agencies, local educational agencies, tribal divisions of education, and schools to—

(1) define their technical assistance needs and align them with school reform, professional development, and technology plans;

(2) secure the technical assistance services that can best fulfill their needs by utilizing Department of Education technical assistance centers, regional education laboratories, Eisenhower Regional consortia, State Literacy Resource Centers, and other technical assistance providers including local providers of professional development services;

(3) identify educational technology needs and secure the necessary technical assistance to address them;

(4) prepare for on-site, intensive technical assistance provided by the comprehensive centers, labs, or other service providers;

(5) utilize technology, including regional and national electronic networks, to increase their access to technical assistance, professional development services, and dissemination of exemplary practices and materials;

(6) deliver high-quality professional development services to their school-based educators; and

(7) provide organizational development services to facilitate school-based change.

(d) ADDITIONAL DUTIES.—In addition, National Diffusion Network State Facilitators shall—

(1) disseminate information about school reform and effective and promising practices and help local educational agencies and schools adapt them to their needs;

(2) facilitate communications between educators to assist the sharing of promising practices and to foster school reform and professional development;

(3) coordinate their activities with school support teams and distinguished educators in their State;

(4) coordinate, work cooperatively with, and regularly share information with the comprehensive centers, the Regional Education Laboratories, and other entities engaged in research, development, dissemination, and technical assistance activities which are supported by the Department of Education;

(5) develop and implement an aggressive outreach plan for reaching the local educational agencies and schools identified as priorities in section 2308; and

(6) provide technical, dissemination, and support assistance to States, local educational agencies, and schools using the highest quality and most cost-effective methods available.

(e) NATIONAL DIFFUSIONS NETWORK EFFECTIVE PRACTICES.—The Secretary shall develop a system of validating effective programs and promising practices for dissemination through the National Diffusion Network. Such programs may include exemplary programs funded through any office of the Department of Education, the National Science Foundation, or other Federal agencies. Such a system should be coordinated, aligned with, and administered by the Office of Educational Research and Improvement Office of Reform Assistance and Dissemination. The Secretary shall give priority to identifying, validating, and disseminating effective schoolwide

projects, programs addressing the needs of high poverty schools, and programs with the capacity to offer high-quality, sustained technical assistance. The Office of Educational Research and Improvement Office of Reform Assistance and Dissemination shall also administer a grants program to such validated Effective Practices for the purpose of dissemination and the provision of technical assistance.

SEC. 2348. PROGRAM PRIORITIES.

Both the comprehensive centers and the National Diffusion Network shall give priority service to schoolwide projects, local educational agencies, and Bureau of Indian Affairs schools with the highest percentage or numbers of poor children.

SEC. 2349. TECHNOLOGY-BASED TECHNICAL ASSISTANCE.

The Secretary is also authorized to provide a technology-based technical assistance service that will—

(1) support the administration and implementation of programs authorized by this Act by providing information, including legal and regulatory information, and technical guidance and information about best practices; and

(2) be accessible to all States, local educational agencies, schools, and others who are recipients of funds under this Act.

SEC. 2350. ADMINISTRATION.

The program authorized by this part shall be jointly administered by the Assistant Secretary for Elementary and Secondary Education, the Director of Bilingual Education and Minority Languages Affairs, and the Assistant Secretary for Educational Research and Improvement.

SEC. 2351. AUTHORIZATION OF APPROPRIATIONS.

For the purposes of carrying out this part, there are authorized to be appropriated $70,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999. Of the funds appropriated under this part, not less than $25,000,000 shall be made available to support activities of the National Diffusion Network authorized in section 2343(b).

PART E—EDUCATION PROGRAM STRATEGIES

SEC. 2401. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds that chapter 2 of the Education Consolidation and Improvement Act of 1981 has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs.

(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this part:

(1) To support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000.

(2) To support State and local efforts to accomplish the National Education Goals.

(3) To provide funding to enable State and local educational agencies to implement promising educational reform programs

that can be supported by State and local sources of funding after such programs are demonstrated to be effective.

(4) To provide a continuing source of innovation, educational improvement, and support for library services and instructional materials, including media materials and,

(5) To meet the special educational needs of at risk and high cost students.

(c) STATE AND LOCAL RESPONSIBILITY.—The basic responsibility for the administration of funds made available under this part is within the State educational agencies, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this part will be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because they have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own districts.

SEC. 2402. AUTHORIZATION OF APPROPRIATIONS; DURATION OF ASSISTANCE.

(a) AUTHORIZATION.—To carry out the purposes of this part, there are authorized to be appropriated $435,000,000 for fiscal year 1995 and such sums in each of the fiscal years 1996 through 1999.

(b) DURATION OF ASSISTANCE.—During the period beginning October 1, 1994, and ending, September 30, 1999, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for the purpose of this section.

Subpart 1—State and Local Programs

SEC. 2411. ALLOTMENT TO STATES.

(a) RESERVATIONS.—From the sums appropriated to carry out this subpart in any fiscal year, the Secretary shall reserve not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) ALLOTMENT.—From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

(c) DEFINITIONS.—For purposes of this subpart—

(1) The term "school-age population" means the population aged 5 through 17.

(2) The term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 2412. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

(a) DISTRIBUTION RULE.—From the sums made available each year to carry out this part, the State educational agency shall distribute not less than 85 percent to local educational agencies within such State according to the relative enrollments in public and pri-

vate, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

(1) children living in areas with high concentrations of low-income families,

(2) children from low-income families, and

(3) children living in sparsely populated areas.

(b) Calculation of Enrollments.—(1) The calculation of relative enrollments under subsection (a) shall be on the basis of the total of—

(A) the number of children enrolled in public schools, and

(B) the number of children enrolled in private nonprofit schools that desire that their children participate in programs or projects assisted under this part, for the fiscal year preceding the fiscal year in which the determination is made. Nothing in this subsection shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

(2)(A) Relative enrollments under subsection (a) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

(i) children living in areas with high concentrations of low-income families,

(ii) children from low-income families, or

(iii) children living in sparsely populated areas.

(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

(c) Payment of Allocations.—

(1) From the funds paid to it pursuant to section 2402 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 2423 the amount of its allocation as determined under subsection (a).

(2)(A) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a), may, at the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public and private nonprofit school in direct proportion to the number of children described in subsection (a) and enrolled in such schools within the local educational agency.

(B) In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described

in subparagraph (A) shall allocate all additional funds to schools within the local educational agency in such manner.

(C) The provisions of subparagraphs (A) and (B) may not be construed to require any school to limit the use of such additional funds to the provision of services to specific students or categories of students.

Subpart 2—State Programs

SEC. 2421. STATE USES OF FUNDS.

(a) AUTHORIZED ACTIVITIES.—A State educational agency may use funds reserved for State use under this section only for—

(1) State administration of programs under this section including—

(A) supervision of the allocation of funds to local educational agencies;

(B) planning, supervision, and processing of State funds; and

(C) monitoring and evaluation of programs and activities under this part; and

(2) technical assistance and direct grants to local educational agencies and statewide education reform activities which assist local educational agencies to provide targeted assistance.

(b) LIMITATIONS AND REQUIREMENTS.—Not more than 25 percent of funds available for State programs under this part in any fiscal year may be used for State administration under subsection (a)(1).

SEC. 2423. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—Any State which desires to receive a grant under this subpart shall submit to the Secretary an application which—

(1) designates the State educational agency as the State agency responsible for administration and supervision of programs assisted under this part;

(2)(A) provides for an annual submission of date on the use of funds, the types of services furnished, and the students served under this section; and

(B) in fiscal year 1998 provides for an evaluation of the effectiveness of programs assisted under this subpart;

(3) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section);

(4) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised and will not exercise any influence in the decision making processes of local educational agencies as to the expenditure made pursuant to an application under section 2433; and

(5) contain assurances that there is compliance with the specific requirements of this chapter.

(b) PERIOD OF APPLICATION.—An application filed by the State under subsection (a) shall be for a period not to exceed 3 years, and

may be amended annually as may be necessary to reflect changes without filing a new application.

(c) AUDIT RULE.—Notwithstanding section 1745 of the Omnibus Budget Reconciliation Act of 1981, local educational agencies receiving less than an average of $5,000 each under this section need not be audited more frequently than once every 5 years.

Subpart 3—Local Targeted Assistance Programs

SEC. 2431. TARGETED USE OF FUNDS.

(a) GENERAL RULE.—Funds allocated for use under this subpart shall be used by local educational agencies for targeted assistance described in subsection (b).

(b) TARGETED ASSISTANCE.—The targeted assistance programs referred to in subsection (a) include—

(1) technology related to the implementation of school-based reform programs, including professional development to assist teachers and other school officials regarding how to use effectively such equipment and software;

(2) instructional and educational materials, assessments, and library services and materials (including media materials) tied to high academic standards and which are part of an overall education reform program;

(3) promising education reform projects, including 21st Century Learning Center school projects in accordance with subpart 4; and

(4) computer hardware and software purchased under this section should be used only for instructional purposes.

SEC. 2432. ADMINISTRATIVE AUTHORITY.

In order to conduct the activities authorized by this part, each State or local educational agency may use funds reserved for this part to make grants to and to enter into contracts with local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

SEC. 2433. LOCAL APPLICATIONS.

(a) CONTENTS OF APPLICATION.—A local educational agency or consortia of local educational agencies may receive an allocation of funds under this subpart for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

(1) sets forth the planned allocation of funds among targeted assistance programs described in section 2431 of this part and describes the programs, projects and activities designed to carry out such targeted assistance which it intends to support, together with the reasons for selection of such programs, projects and activities; and

(2) describes how assistance under this section will contribute to meeting the National Education Goals and improving student achievement or improving the quality of education for students;

(3) agrees to keep such records, and provide such information to the State educational agency as may reasonably be required for fiscal audit and program evaluation, concession with the responsibilities of the State agency under this part; and

(4) provides in the allocation of funds for the assistance authorized by this part, and in the design, planning and implementation of such programs, for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this section (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

(b) PERIOD OF APPLICATION.—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed 3 fiscal years, may provide for the allocation of funds to programs for a period of 3 years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—Subject to the limitations and requirements of this part, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the areas of targeted assistance. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this subpart and are used to meet the educational needs within the schools of such local educational agency.

Subpart 4—21st Century Community Learning Centers

SEC. 2441. FINDINGS.

The Congress finds that—

(1) there are influences outside of school which affect the ability of a child to achieve academically and schools are in a unique position to identify student and family needs to coordinate programs;

(2) access to health and social service programs can assist children and their families to improve the ability of the family to take an active role in their child's education;

(3) coordination of health and social service programs with education can help the Nation meet the National Education Goals and ensure better outcomes for children;

(4) the high technology, global economy of the 21st century will require lifelong learning to keep America's workforce competitive and successful;

(5) 21st Century Community Learning Centers enable the entire community to develop an education strategy that addresses the educational needs of all members of local communities; and

(6) local public schools should provide centers for lifelong learning and educational opportunities for individuals of all ages.

SEC. 2442. FUNDS FOR COMMUNITY LEARNING CENTERS.

(a) IN GENERAL.—Local educational agencies may use funds provided under section 2412 to pay the Federal share of the cost for enabling schools to serve as centers for the delivery of education and human services for members of a community.

(b) USES OF FUNDS.—Local educational agencies may use funds provided under section 2412 for projects described under this subpart.

SEC. 2443. PROGRAMS.

Local educational agencies that receive funds under this subpart may develop programs that include—

(1) literacy education programs;

(2) senior citizen programs;

(3) children's day care services;

(4) integrated education, health, social service, recreational, or cultural programs;

(5) summer and weekend school programs in conjunction with summer recreation programs;

(6) nutrition programs;

(7) expanded library service hours to serve community needs;

(8) telecommunications and technology education programs for all ages;

(9) parenting skills education programs;

(10) support and training for child day care providers;

(11) employment counseling, training, and placement;

(12) services for students who withdraw from school before graduating high school, regardless of age; and

(13) services for individuals who are either physically or mentally challenged.

SEC. 2444. REQUIREMENTS.

A local educational agency that uses funds to develop programs under this subpart shall, at the end of the first year for which funds are used for this purpose, provide information to the State educational agency which describes the activities and projects established with funds under this subpart and includes—

(1) information on the comprehensive local plan that enables such school to serve as a center for the delivery of education and human services for members of a community; and

(2) information on the initial evaluation of needs, available resources, and goals and objectives for the proposed community education program and how such evaluation was used to determine the program developed to address such needs; including—

(A) the mechanism used to disseminate information in a manner understandable and accessible to the community;

(B) identification of Federal, State, and local programs merged or coordinated so that public resources could be maximized;

(C) a description of the collaborative efforts of community-based organizations, related public agencies, businesses, or other appropriate organizations;

(D) a description of how the school will assist as a delivery center for existing and new services; and

(E) the establishment of the facility utilization policy that specifically states rules and regulations for building and equipment use and supervision guidelines.

SEC. 2445. DEFINITION.

For purposes of this subpart, the term "Community Learning Center" means the provision of educational, recreational, health, and social service programs for residents of all ages of a local community in public school buildings, primarily in rural and inner city areas, operated by the local educational agency in conjunction with local governmental agencies, businesses, vocational education programs, community colleges, universities, cultural, recreational, and other community and human service entities.

TITLE III—EXPANDING OPPORTUNITIES FOR LEARNING

PART A—FUND FOR THE IMPROVEMENT OF EDUCATION

SEC. 3201. FUND FOR THE IMPROVEMENT OF EDUCATION.

(a) FUND AUTHORIZED.—From funds appropriated under subsection (d), the Secretary is authorized to support nationally significant programs and projects to improve the quality of education, assist all students to meet challenging standards, and contribute to the achievement of the National Education Goals. The Secretary is authorized to carry out such programs and projects directly or through grants to, or contracts with, State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions.

(b) USES OF FUNDS.—(1) Funds under this section may be used for—

(A) activities that will promote systemic educational reform at the State and local levels, such as—

(i) research and development related to content and performance standards and opportunity-to-learn standards for student learning; and

(ii) the development and evaluation of model strategies for assessment of student learning, professional development for teachers and administrators, parent and community involvement, and other aspects of systemic reform;

(B) demonstrations at the State and local levels that are designed to yield nationally significant results, including approaches to public school choice in accordance with the requirements of part C and school-based decisionmaking;

(C) joint activities with other agencies to assist the effort to achieve the National Education Goals, including activities related to improving the transition from preschool to school and from school to work, as well as activities related to the integration of education and health and social services;

(D) activities to promote and evaluate counseling and mentoring for students, including intergenerational mentoring;

(E) activities to promote comprehensive health education;

(F) activities to promote environmental education;

(G) activities to promote consumer, economic, and personal finance education;

(H) activities to assist students to demonstrate competence in foreign languages;

(I) studies and evaluation of various educational reform strategies and innovations being pursued by the Federal Government, States, and local educational agencies;

(J) the identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools;

(K) programs designed to promote gender equity in education by evaluating and eliminating gender bias in instruction and educational materials, identifying, and analyzing gender inequities in educational practices, and implementing and evaluating educational policies and practices designed to achieve gender equity;

(L) experiential-based learning, such as service-learning; and

(M) other programs and projects that meet the purposes of this section.

(2) The Secretary may also use funds under this section to complete the project periods for direct grants or contracts awarded under the provisions of the Elementary and Secondary Education Act of 1965, part B of title III of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, or title III of the Education for Economic Security Act, as these Acts were in effect on the day before enactment of the Improving America's Schools Act of 1994.

(c) AWARDS.—(1) The Secretary may make awards under this section on the basis of competitions announced by the Secretary and may also support meritorious unsolicited proposals.

(2) The Secretary shall ensure that projects and activities supported under this section are designed in such a way that their effectiveness may be readily determined.

(3) The Secretary shall use a peer review process in reviewing applications for grants under this section and may use funds appropriated under subsection (d) for this purpose.

(d) AUTHORIZATION.—For the purpose of carrying out this section, there are authorized to be appropriated $35,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART B—GIFTED AND TALENTED CHILDREN

SEC. 3301. SHORT TITLE.

This part may be cited as the "Jacob K. Javits Gifted and Talented Students Education Act of 1994".

SEC. 3302. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) all students can learn to high standards and must develop their talents and realize their potential if the United States is to prosper;

(2) gifted and talented students are a national resource vital to the future of the Nation and its security and well-being;

(3) too often schools fail to challenge students to do their best work, and students who are not challenged will not learn to high standards, fully develop their talents, and realize their potential;

(4) unless the special abilities of gifted and talented students are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

(5) gifted and talented students from economically disadvantaged families and areas, and students of limited English proficiency are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

(6) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented students for the provision of educational services and programs appropriate to their special needs;

(7) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training and providing a national focal point of information and technical assistance that is necessary to ensure that the Nation's schools are able to meet the special educational needs of gifted and talented students, and thereby serve a profound national interest; and

(8) the experience and knowledge gained in developing and implementing programs for gifted and talented students can and should be used as a basis to develop a rich and challenging curriculum for all students.

(b) Statement of Purpose.—

(1) It is the purpose of this part to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in elementary and secondary schools to meet the special educational needs of gifted and talented students. In addition, the purpose of this part is to encourage the development of rich and challenging curricula for all students through the appropriate application and adaptation of materials and instructional methods developed under this part.

(2) It is also the purpose of this part to supplement and make more effective the expenditure of State and local funds, for the education of gifted and talented students.

SEC. 3303. DEFINITIONS.

For purposes of this part, the term "gifted and talented students" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

SEC. 3304. AUTHORIZED PROGRAMS.

(a) Establishment of Program.—

(1) From the sums appropriated under section 3308 in any fiscal year the Secretary (after consultation with experts in the field of the education of gifted and talented students) shall make grants to or enter into contracts with State educational agencies, local educational agencies, institutions of higher education, or other public agencies and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and Hawaiian native organizations) to assist such agencies, institutions, and organizations which submit applications in carrying out programs or projects authorized by this Act that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.

(2) Applications for funds must include a section on how the proposed gifted and talented services, materials, and methods could be adapted, if appropriate, for use by all students and a section on how the proposed programs can be evaluated.

(b) USES OF FUNDS.—Programs and projects assisted under this section may include—

(1) professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students;

(2) establishment and operation of model projects and exemplary programs for serving gifted and talented students, including innovative methods for identifying and educating students who may not be served by traditional gifted and talented programs, summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education;

(3) training of personnel involved in gifted and talented programs with respect to the impact of gender role socialization on the educational needs of gifted and talented children and in gender equitable education methods, techniques, and practices;

(4) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented students and the appropriate use of gifted and talented programs and methods to serve all students;

(5) programs of technical assistance and information dissemination which would include how gifted and talented programs and methods, where appropriate, could be adapted for use by all students; and

(6) carrying out—

(A) research on methods and techniques for identifying and teaching gifted and talented students, and for using gifted and talented programs and methods to serve all students; and

(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this part.

(c) Establishment of National Center.—

(1) The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out activities described in paragraph (5) of subsection (b).

(2) Such National Center shall have a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

(d) Limitation.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used to conduct activities pursuant to subsections (b)(5) or (c).

(e) Coordination.—Research activities supported under this section—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

(2) may include collaborative research activities which are jointly funded and carried out with the Office of Education Research and Improvement.

SEC. 3305. PROGRAM PRIORITIES.

(a) General Priority.—In the administration of this part the Secretary shall give highest priority—

(1) to the identification of and services to gifted and talented students who may not be identified and served through traditional assessment methods (including economically disadvantaged individuals, individuals of limited-English proficiency, and individuals with disabilities; and

(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification of and service to gifted and talented students, such as mentoring and apprenticeship programs.

(b) Service Priority.—In approving applications under section 3304(a) of this part, the Secretary shall assure that in each fiscal year at least one-half of the applications approved address the priority in section 3305(a)(1).

SEC. 3306. GENERAL PROVISIONS.

(a) Participation of Private School Children and Teachers.—In making grants and entering into contracts under this part, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development programs for serving such children.

(b) Review, Dissemination, and Evaluation.—The Secretary shall—

(1) use a peer review process in reviewing applications under this part;

(2) ensure that information on the activities and results of projects funded under this part is disseminated to appropriate State and local agencies and other appropriate organizations, including nonprofit private organizations; and

(3) evaluate the effectiveness of programs under this part, both in terms of the impact on students traditionally served in separate gifted and talented programs and on other students, and submit the results of such evaluation to Congress not later than January 1, 1998.

SEC. 3307. ADMINISTRATION.

The Secretary shall establish or designate an administrative unit within the Department of Education—

(1) to administer the programs authorized by this part;

(2) to coordinate all programs for gifted and talented students administered by the Department;

(3) to serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet such needs; and

(4) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities which reflect the needs of gifted and talented students.

The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented students.

SEC. 3308. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $10,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999 to carry out the provisions of this part.

PART C—PUBLIC CHARTER SCHOOLS

SEC. 3401. PURPOSE.

It is the purpose of this part to increase national understanding of the charter schools model by—

(1) providing financial assistance for the design and initial implementation of charter schools; and

(2) evaluating the effects of those schools on improving student achievement, including their effects on students, staff, and parents.

SEC. 3402. PROGRAM AUTHORIZED.

(a) GENERAL.—The Secretary may make grants to eligible applicants for the design and initial operation of charter schools.

(b) PROJECT PERIODS.—Each such grant shall be for a period of not more than three years, of which the grantee may use—

(1) no more than 18 months for planning and program design; and

(2) no more than two years for the initial implementation of the charter school.

(c) LIMITATION.—The Secretary shall not make more than one grant to support a particular charter school.

SEC. 3403. APPLICATIONS.

(a) APPLICATIONS REQUIRED.—Any eligible applicant that desires to receive a grant under this part shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(b) SCOPE OF APPLICATION.—Each such application may request assistance for a single charter school or for a cluster of schools, which may include a high school and its feeder elementary and middle schools, within a community.

(c) APPLICATION CONTENTS.—Each such application shall include, for each charter school for which assistance is sought—

(1) a description of the educational program to be implemented by the proposed charter school, including—

(A) how the program will enable all students to meet challenging State performance standards;

(B) the grade levels or ages of children to be served; and

(C) the curriculum and instructional practices to be used;

(2) a description of how the school will be managed;

(3) a description of—

(A) the objectives of the school; and

(B) the methods by which the school will determine its progress toward achieving those objectives;

(4) a description of the administrative relationship between the charter school and the local educational agency that will authorize or approve the school's charter and act as the grantee under this part;

(5) a description of how parents and other members of the community will be involved in the design and implementation of the charter school;

(6) a description of how the local educational agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school is successful;

(7) a request and justification for waivers of any Federal statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

(8) a description of how the grant funds would be used;

(9) a description of how grant funds would be used in conjunction with other Federal programs administered by the Secretary;

(10) a description of how students in the community will be—

(A) informed about the school; and

(B) given an equal opportunity to attend the school;

(11) an assurance that the applicant will annually provide the Secretary such information as the Secretary may require to determine if the charter school is making satisfactory progress toward achieving the objectives described under paragraph (3);

(12) an assurance that the applicant will cooperate with the Secretary in evaluating the program authorized by this part; and

(13) such other information and assurances as the Secretary may require.

(d) STATE EDUCATIONAL AGENCY APPROVAL REQUIRED.—(1) A local educational agency that desires to receive a grant under this part shall obtain the State educational agency's approval of its application before submitting it to the Secretary.

(2) A State educational agency that approves an application of a local educational agency shall provide the local educational agency, and such local agency shall include in its application to the Secretary, a statement that the State has granted, or will grant, the waivers and exemptions from State requirements described in such local agency's application.

SEC. 3404. SELECTION OF GRANTEES; WAIVERS.

(a) CRITERIA.—The Secretary shall select projects to be funded on the basis of the quality of the applications, taking into consideration such factors as—

(1) the quality of the proposed curriculum and instructional practices;

(2) the degree of flexibility afforded by the State and, if applicable, the local educational agency to the school;

(3) the extent of community support for the application;

(4) the ambitiousness of the objectives for the school;

(5) the quality of the plan for assessing achievement of those objectives; and

(6) the likelihood that the school will meet those objectives and improve educational results for students.

(b) PEER REVIEW.—The Secretary shall use a peer review process to review applications for grants under this section.

(c) DIVERSITY OF PROJECTS.—The Secretary may approve projects in a manner that ensures, to the extent possible, that they—

(1) are distributed throughout different areas of the Nation, including in urban and rural areas; and

(2) represent a variety of educational approaches.

(d) WAIVERS.—The Secretary may waive any statutory or regulatory requirement that the Secretary is responsible for enforcing, except for any such requirement relating to the elements of a charter school described in section 3407(1), if—

(1) the waiver is requested in an approved application or by a grantee under this part; and

(2) the Secretary determines that granting such a waiver would promote the purpose of this part.

SEC. 3405. USES OF FUNDS.

A recipient of a grant under this part may use the grant funds only for—

(1) post-award planning and design of the educational program, which may include—

(A) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

(B) professional development of teachers and other staff who will work in the charter school; and

(2) initial implementation of the charter school, which may include—

(A) informing the community about the school;

(B) acquiring necessary equipment;

(C) acquiring or developing curriculum materials; and

(D) other operational costs that cannot be met from State or local sources.

SEC. 3406. NATIONAL ACTIVITIES.

The Secretary may reserve up to 10 percent of the funds appropriated for this part for any fiscal year for—

(1) peer review of applications under section 3404(b); and

(2) an evaluation of the impact of charter schools on student achievement, including those assisted under this part.

SEC. 3407. DEFINITIONS.

As used in this part, the following terms have the following meanings:

(1) The term "charter school" means a school that—

(A) in accordance with an enabling State statute, is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school;

(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the local educational agency applying for a grant on behalf of the school;

(D) provides a program of elementary or secondary education, or both;

(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(F) does not charge tuition;

(G) complies with the Age Discrimination Act, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

(H) admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

(I) agrees to comply with the same Federal and State audit requirements as do other public schools in the State, unless such requirements are specifically waived for the purpose of this program;

(J) meets all applicable Federal, State, and local health and safety requirements; and

(K) operates in accordance with State law.

(2) The term "developer" means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

(3) The term "eligible applicant" means a local educational agency, in partnership with a developer with an application approved under section 3403(d).

SEC. 3408. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART D—ARTS IN EDUCATION

Subpart 1—Support for Arts Education

SEC. 3501. SUPPORT FOR ARTS EDUCATION.

(a) FINDINGS.—The Congress finds that—

(1) the arts are forms of understanding and ways of knowing that are fundamentally important to education;

(2) the arts are important to excellent education and to effective school reform;

(3) the most significant contribution of the arts to education reform is the transformation of teaching and learning;

(4) this transformation is best realized in the context of comprehensive, systemic education reform;

(5) demonstrated competency in the arts for American students is among the National Education Goals;

(6) the arts can motivate at-risk students to stay in school and become active participants in the educational process; and

(7) arts education should be an integral part of the elementary and secondary school curriculum.

(b) PURPOSE. The purposes of this part are to—

(1) support systemic education reform by strengthening arts education as an integral part of the elementary and secondary school curriculum;

(2) help ensure that all students have the opportunity to learn to challenging standards in the arts; and

(3) support the national effort to enable all students to demonstrate competence in the arts in accordance with the National Education Goals.

(c) ELIGIBLE RECIPIENTS.—In order to carry out the purposes of this part, the Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with—

(1) State educational agencies;

(2) local educational agencies;

(3) institutions of higher education; and

(4) other public and private agencies, institutions, and organizations.

(d) AUTHORIZED ACTIVITIES.—Funds under this part may be used for—

(1) research on arts education;

(2) the development of, and dissemination of information about, model arts education programs;

(3) the development of model arts education assessments based on high standards;

(4) the development and implementation of curriculum frameworks for arts education;

(5) the development of model preservice and inservice professional development programs for arts educators and other instructional staff;

(6) supporting collaborative activities with other Federal agencies or institutions involved in arts education, such as the National Endowment for the Arts, the Institute of Museum Services, the John F. Kennedy Center for the Performing Arts, and the National Gallery of Art;

(7) supporting model projects and programs in the performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts;

(8) supporting model projects and programs in the arts for individuals with disabilities through arrangements with the organization, Very Special Arts;

(9) supporting model projects and programs to integrate arts education into the regular elementary and secondary school curriculum; and

(10) other activities that further the purposes of this part.

(e) COORDINATION.—(1) A recipient of funds under this part shall, to the extent possible, coordinate its project with appropriate activities of public and private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries, and theaters.

(2) In carrying out this part, the Secretary shall coordinate with the National Endowment for the Arts, the Institute of Museum Services, the John F. Kennedy Center for the Performing Arts, and the National Gallery of Art.

(f) AUTHORIZATION OF APPROPRIATIONS.— For the purpose of carrying out this subpart, there are authorized to be appropriated $11,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

Subpart 2—Community Arts

SEC. 3502. SHORT TITLE.

This subpart may be cited as the Community Arts Partnership Act of 1994.

(a) FINDINGS.—Congress finds that—

(1) with local school budgets cut there are in-adequate arts programs available for children in schools, especially at the elementary level;

(2) the arts promote progress in academic subjects as shown by research conducted by the National Endowment for the Arts;

(3) the arts access multiple human intelligences and develop higher-order thinking skills;

(4) the arts generate self-esteem and positive emotional responses to learning; and

(5) children who receive instruction in the arts remain in school longer and are more successful than children who do not receive such instruction.

(b) PURPOSE.—The purpose of this part is to make demonstration grants to eligible entities to improve the educational performance and future potential of at-risk children and youth by providing comprehensive and coordinated educational and cultural services.

(c) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities to pay the Federal share of the costs of the activities described in subsection (f).

(2) SPECIAL REQUIREMENTS.—The Secretary shall award grants under this Act only to program designed to—

(A) promote educational and cultural services;

(B) provide multi-year services to at-risk children and youth;

(C) serve the target population described in subsection (e);

(D) provide integration of community cultural resources in the regular curriculum;

(E) focus school and cultural resources in the community on coordinated cultural services to address the needs of at-risk children and youth;

(F) provide effective cultural linkages from preschool programs, including the Head Start Act and preschool grants under the Individuals with Disabilities Education Act, to elementary schools;

(G) facilitate school-to-work transition from secondary schools and alternative schools to job training, higher education, and employment;

(H) increase parental and community involvement in the educational, social, and cultural development of at-risk youth; or

(I) replicate programs and strategies that provide high quality coordinated educational and cultural services and that are designed to integrate such coordination into the regular curriculum.

(3) REQUIREMENT OF COORDINATION.—Grants may only be awarded under this part to eligible entities that agree to coordinate activities carried out under other Federal, State, and local grants, received by the members of the partnership for purposes and target populations described in this part, into an integrated service delivery system located at a school, cultural, or other community-based site accessible to and utilized by at-risk youth.

(4) DURATION.—Grants made under this part may be renewable for a maximum of 5 years if the Secretary determines that the eligible recipient has made satisfactory progress toward the achievement of the program objectives described in application.

(5) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this part, the Secretary shall ensure—

(A) an equitable geographic distribution; and

(B) an equitable distribution to both urban and rural areas with a high proportion of at-risk youth as defined in subsection (e).

(d) ELIGIBILITY.—

(1) SERVICES FOR IN-SCHOOL YOUTH.—For the purpose of providing a grant under this part to serve in-school children and youth, the term "eligible entity" means a partnership between a local education agency that is eligible for funds under title I of this Act, and at least 1 institution of higher education or cultural entity located within or accessible to the geographical boundaries of the local education agency with a history of providing quality services to the community, and which may include—

(A) nonprofit institutions of higher education; museums; libraries; performing, presenting and exhibiting arts organizations; literary arts organizations; local arts organizations; and zoological and botanical organizations; and

(B) private for-profit entities with a history of training children and youth in the arts.

(2) SERVICES FOR OUT-OF-SCHOOL YOUTH.—For purposes of providing a grant under this part to serve out-of-school youth, the term "eligible entity" means a partnership between at least 1 entity of the type described in paragraph (A) or (B) of subsection (1), or a local education agency eligible for funds under chapter 1 of title I of this Act and at least 1 cultural entity described in subsection (1).

(e) TARGET POPULATION.—In order to receive a grant under this part, an eligible entity shall serve—

(1) students enrolled in schools in participating schoolwide projects assisted under title I of this Act and the families of such students; or

(2) out-of-school youth at risk of having limited future options as a result of teenage pregnancy and parenting, substance abuse, recent migration, disability, limited English proficiency, family migration, illiteracy, being the child of a teen parent, living in a single parent household, or being a high school dropout; or

(3) any combination of in school and out-of-school at-risk youth.

(f) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made under this part may be used—

(A) to plan, develop, acquire, expand, and improve school-based or community-based coordinated educational and cultural programs to strengthen the educational performance and future potential of in-school and out-of-school at-risk youth through cooperative agreements, contracts for services, or administrative coordination;

(B) to provide at-risk students with integrated cultural activities designed to develop a love of learning to ensure the smooth transition of preschool children to elementary school;

(C) to design collaborative cultural activities for students in secondary or alternative schools that ensure the smooth transition to job training, higher education, or full employment;

(D) to provide child care for children of at-risk students who would not otherwise be able to participate in the program;

(E) to provide transportation necessary for participation in the program;

(F) to work with existing school personnel to develop curriculum materials and programs in the arts;

(G) to work with existing school personnel on staff development activities that encourage the integration of the arts into the curriculum;

(H) for stipends that allow local artists to work with at-risk children and youth in the schools;

(I) for cultural programs that encourage the active participation of parents in their children's education;

(J) for programs that use the art reform current school practices, including lengthening the school day or academic year;

(K) for appropriate equipment and necessary supplies; and

(L) for evaluation, administration, and supervision.

(2) PRIORITY.—In providing assistance under this part, the Secretary shall give priority to eligible entities that provide comprehensive services that extend beyond traditional school or service hour, that may include year round programs that provide services in the evenings and on weekends.

(3) PLANNING GRANTS.—

(A) APPLICATION.—An eligible entity may submit an application to the Secretary for a planning grants for an amount not to exceed $50,000. Such grants shall be for periods of not more than 1 year.

(B) LIMIT ON PLANNING GRANTS.—Not more than 10 percent of the amounts appropriated in each fiscal year under this part shall be used for grants under this subsection, and an eligible entity may receive not more than 1 such planning grant.

(g) GENERAL PROVISIONS.—

(1) IN GENERAL.—Each eligible entity desiring a grants under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to subsection (a) shall—

(A) describe the cultural entity or entities that will participate in the partnership;

(B) describe the target population to be served;

(C) describe the services to be provided;

(D) describe a plan for evaluating the success of the program;

(E) describe, for a local educational agency participant, how services will be perpetuated beyond the length of the grant;

(F) describe the manner in which the eligible entity will improve the educational achievement or future potential of at-risk youth through more effective coordination of cultural services in the community;

(G) describe the overall and operational goals of the program; and

(H) describe the nature and location of all planned sites where services will be delivered and a description of services which will be provided at each site.

(h) PAYMENTS—FEDERAL SHARE.—

(1) PAYMENTS.—The Secretary shall pay to each eligible entity having an application approved under subsection (g) the Federal share of the cost of the activities described in the application.

(2) AMOUNTS OF GRANTS.—The amount of a grant made under this part may not be less than $100,000 or exceed $500,000 in the first year of such grant.

(3) FEDERAL SHARE.—The Federal share shall be 80 percent.

(4) NON-FEDERAL SHARE.—The non-Federal share shall be equal to 20 percent and may be in cash or in kind, fairly evaluated, including facilities or services.

(5) LIMITATION.—Not more than 25 percent of any grant under this part may be used for noninstructional services such as those described in paragraphs D, E, and L of subsection (f).

(6) SUPPLEMENT AND NOT SUPPLANT.—Grant funds awarded under this part shall be used to supplement not supplant the amount of funds made available from non-Federal sources, for the activities assisted under this part, in amounts that exceed the amounts expended for such activities in the year preceding the year for which the grant is awarded.

(7) DISSEMINATION OF MODELS.—The Secretary shall disseminate information concerning successful models under this part through the National Diffusion Net work.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart, $75,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART E—INEXPENSIVE BOOK DISTRIBUTION PROGRAM

SEC. 3601. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading Is Fundamental (hereinafter in this section referred to as the contractor) to support and promote programs, which include the distribution of inexpensive books to students, that motivate children to read.

(b) Requirements of Contract.—Any contract entered into under subsection (a) shall—

(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations or with public agencies under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, or by loan, to children up through high school age, including those in family literacy programs;

(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

(3) provide that in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

(A) low-income children, particularly in high-poverty areas;

(B) children at risk of school failure;

(C) children with disabilities, including children with serious emotional disturbance;

(D) foster children;

(E) homeless children;

(F) migrant children;

(G) children without access to libraries;

(H) institutionalized or incarcerated children; and

(I) children whose parents are institutionalized or incarcerated;

(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

(5) provide that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

(c) Restriction on Payments.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

(d) Definition of "Federal Share".—For the purpose of this section, the term "Federal share" means the portion of the cost to a subcontractor of purchasing books to be paid with funds made available under this section. The Federal share shall be established by the Secretary, and shall not exceed 75 percent, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $10,300,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART F—CIVIC EDUCATION

SEC. 3701. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

(a) GENERAL AUTHORITY.—

(1) PROGRAM ESTABLISHED.—(A) The Secretary shall carry out a program to enhance the attainment of Goals Three and Six of the National Education Goals by educating students about the history and principles of the Constitution of the United States, including the Bill of Rights, and to foster civic competence and responsibility.

(B) Such program shall be known as "We the People ... The Citizen and the Constitution".

(2) EDUCATIONAL ACTIVITIES.—The program required by paragraph (1) shall—

(A) continue and expand the educational activities of the We the People ... The Citizen and the Constitution program administered by the Center for Civic Education; and

(B) enhance student attainment of challenging content standards in civics and government.

(3) CONTRACT OR GRANT AUTHORIZED.—The Secretary is authorized to enter into a contract or grant with the Center for Civic Education to carry out the program required by paragraph (1).

(b) PROGRAM CONTENT.—The education program authorized by this section shall provide—

(1) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and the Bill of Rights;

(2) school and community simulated congressional hearings following the course of study at the request of participating schools; and

(3) an annual national competition of simulated congressional hearings for secondary students who wish to participate in such program.

(c) PROGRAM PARTICIPANTS.— The education program authorized by this section shall be made available to public and private elementary and secondary schools in the 435 congressional districts, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

(d) SPECIAL RULE.—Funds provided under this section may be used for the advanced training of teachers in civics and government after the provisions of subsection (b) have been implemented.

SEC. 3702. INSTRUCTION IN CIVICS, GOVERNMENT, AND THE LAW.

(a) PROGRAM ESTABLISHED.—The Secretary shall carry out a program of grants and contracts to assist State and local educational agencies and other public and private nonprofit agencies, organizations and institutions to enhance—

(1) attainment by students of challenging content standards in civics, government, and the law; and

(2) attainment by the Nation of Goals Three and Six of the National Education Goals.

(b) AUTHORIZED ACTIVITIES.—Assistance under this section may support new and ongoing programs in elementary and secondary schools that provide for—

(1) the development and implementation of curricular programs that enhance student understanding of—

(A) the values and principles which underlie, and the institutions and processes which comprise, our system of government;

(B) the role of law in our constitutional democracy, including activities to promote—

(i) legal literacy; and

(ii) a dedication by students to the use of non-violent means of conflict resolution such as arbitration, mediation, negotiation, trials, and appellate hearings; and

(C) the rights and responsibilities of citizenship;

(2) professional development for teachers, including pre-service and in-service training;

(3) outside-the-classroom learning experiences for students, including community service activities;

(4) the active participation of community leaders, from the public and private sectors, in the schools; and

(5) the provision of technical assistance to State and local educational agencies and other institutions and organizations working to further the progress of the Nation in attaining the Goals Three and Six of the National Education Goals in civics and government.

(c) APPLICATIONS, PEER REVIEW AND PRIORITY.—

(1) SUBMISSION OF APPLICATIONS.—A State or local educational agency, other public or private nonprofit agency, organization or institution that desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(2) PEER REVIEW.—(A) The Secretary shall convene a panel of individuals for purpose of reviewing and rating applications submitted under paragraph (1).

(B) Such individuals shall have experience with education programs in civics, government, and the law.

(3) Priority.—In making grants or awarding contracts under this section, the Secretary shall give priority consideration to applications which propose the operation of statewide programs.

(d) DURATION OF GRANTS AND EXCEPTION.—

(1) DURATION.—Except as provided in paragraph (2), the Secretary shall make grants and enter into contracts under this section for periods of 2 or 3 years.

(2) EXCEPTION.—The Secretary may make a grant or enter into a contract under this section for a period of less than 2 years if the Secretary determines that special circumstances exist which warrant a one year grant or contract award.

SEC. 3703. REPORT; AUTHORIZATION OF APPROPRIATIONS.

(a) REPORT.—The Secretary shall report, on a biennial basis, to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate related to the distribution and use of funds authorized under this part.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) GENERAL.—To carry out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(2) ALLOCATION.—From the amount appropriated under subsection (a), the Secretary shall allocate—

(A) 40 percent of such amount to carry out section 3701; and

(B) 60 percent of such amount to carry out section 3702.

PART G—NATIVE HAWAIIAN EDUCATION

SEC. 3801. SHORT TITLE.

This part may be cited as the "Native Hawaiian Education Act".

SEC. 3802. FINDINGS.

The Congress finds that:

(1) Native Hawaiians comprise a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago whose society was organized as a Nation prior to the arrival of the first non-indigenous people in 1778.

(2) The Native Hawaiian people are entitled to preserve, develop and transmit to future generations their ancestral territory, and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, languages, and social institutions.

(3) The constitution and statutes of the State of Hawaii:

(A) acknowledge the distinct land rights of the Native Hawaiian people as beneficiaries of the public lands trust; and

(B) reaffirm and protect the unique right of the Native Hawaiian people to practice and perpetuate their cultural and religious customs, beliefs, practices, and language.

(4) At the time of the arrival of the first non-indigenous people in Hawaii in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient, subsistence social system based on communal land tenure with a sophisticated language, culture, and religion.

(5) A unified monarchial government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawaii.

(6) Throughout the 19th century and until 1893, the United States: (a) recognized the independence of the Hawaiian Nation; (b) extended full and complete diplomatic recognition to the Hawaiian government; and (c) entered into treaties and conven-

tions with the Hawaiian monarchs to govern commerce and navigation in 1826, 1842, 1849, 1875 and 1887.

(7) In the year 1893, the United States Minister assigned to the sovereign and independent Kingdom of Hawaii, John L. Stevens, conspired with a small group of non-Hawaiian residents of the Kingdom, including citizens of the United States, to overthrow the indigenous and lawful Government of Hawaii.

(8) In pursuance of that conspiracy, the United States Minister and the naval representative of the United States caused armed naval forces of the United States to invade the sovereign Hawaiian Nation in support of the overthrow of the indigenous and lawful Government of Hawaii and the United States Minister thereupon extended diplomatic recognition of a provisional government formed by the conspirators without the consent of the native people of Hawaii or the lawful Government of Hawaii in violation of treaties between the two nations and of international law.

(9) In a message to Congress on December 18, 1893, then President Grover Cleveland reported fully and accurately on these illegal actions, and acknowledged that by these acts, described by the President as acts of war, the government of a peaceful and friendly people was overthrown, and the President concluded that a "substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people require that we should endeavor to repair."

(10) Queen Lili'uokalani, the lawful monarch of Hawaii, and the Hawaiian Patriotic League, representing the aboriginal citizens of Hawaii, promptly petitioned the United States for redress of these wrongs and for restoration of the indigenous government of the Hawaiian nation, but this petition was not acted upon.

(11) In 1898, the United States annexed Hawaii through the Newlands Resolution, without the consent of or compensation to the indigenous people of Hawaii or their sovereign government, who were denied their land, ocean resources, and the mechanism for expression of their inherent sovereignty through self-government and self-determination.

(12) Through the Newlands Resolution and the 1900 Organic Act, the United States Congress received 1.75 million acres of lands formerly owned by the Crown and Government of the Hawaiian Kingdom and exempted the lands from then existing public land laws of the United States by mandating that the revenue and proceeds from these lands be "used solely for the benefit of the inhabitants of the Hawaiian Islands for education and other public purposes," thereby establishing a special trust relationship between the United States and the indigenous native inhabitants of Hawaii.

(13) Congress enacted the Hawaiian Homes Commission Act of 1920 designating 200,000 acres of the ceded public lands for exclusive homesteading by Native Hawaiians, affirming the trust relationship between the United States and the Native Hawaiians, as expressed by then Secretary of the Interior Franklin K. Lane, who was cited in the Committee Report of the United States House of Representatives Committee on Territories as

stating: "One thing that impressed me . . . was the fact that the natives of these islands who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty."

(14) In 1938, the United States Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781 et seq.), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area "only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance."

(15) Under the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union" Approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawaii but reaffirmed the trust relationship which existed between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and legislative amendments affecting the rights of beneficiaries under such Act.

(16) Under the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for administration over portions of the ceded public lands trust not retained by the United States to the State of Hawaii but reaffirmed the trust responsibility which existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the administration of the public trust responsibility of the State of Hawaii for the betterment of the conditions of Native Hawaiians under section 5(f) of the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union."

(17) The authority of the Congress under the United States Constitution to legislate in matters affecting the aboriginal or indigenous peoples of the United States includes the authority to legislate in matters affecting the native peoples of Alaska and Hawaii.

(18) In furtherance to the trust responsibility for the betterment of the conditions of native Hawaiians, the United States has established educational programs to benefit Native Hawaiians and has acknowledged that special educational efforts are required recognizing the unique cultural and historical circumstances of Native Hawaiians.

(19) This historical and legal relationship has been consistently recognized and affirmed by the Congress through the enactment of Federal laws which extend to the Hawaiian people the same rights and privileges accorded to American Indian, Alaska Native, Eskimo, and Aleut communities, including the Native American Programs Act of 1974; the Native American Programs Act of 1992, as amended; the National Historic Act Amendments of 1992; the American Indian Religious Freedom Act; the Native American Graves Protection and Repatriation Act.

(20) The United States has also recognized and reaffirmed the trust relationship to the Hawaiian people through legislation which authorizes the provision of services to Native Hawaiians, specifically, the Older Americans Act of 1965, the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, the Veterans' Benefits and Services Act of 1988, the Rehabilitation Act of 1973, the Native Hawaiian Health Care Act of 1988, the Health Professions Reauthorization Act of 1988, the Nursing Shortage Reduction and Education Extension Act of 1988, the Handicapped Programs Technical Amendments Act of 1988, the Indian Health Care Amendments of 1988, and the Disadvantaged Minority Health Improvements Act of 1990.

(21) Despite the success of the programs established under the Native Hawaiian Education Act of 1988, the education needs of Native Hawaiians continue to be severe:

(A) Native Hawaiian students continue to score below national norms on standardized education achievement tests;

(B) Both public and private schools continue to show a pattern of low percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

(C) Native Hawaiian students continue to be overrepresented among those qualifying for special education programs provided to learning disabled, educable mentally retarded, handicapped, and other such students;

(D) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics, indicative of special educational needs—

(i) lower educational attainment among Native Hawaiians has been found to relate to lower socioeconomic outcomes;

(ii) Native Hawaiian students continue to be disproportionately underrepresented in Institutions of Higher Education;

(iii) Native Hawaiians continue to be underrepresented in traditional white collar professions, health care professions, and the newly emerging technology based professions and are overrepresented in service occupations;

(iv) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect, a signal of family stress; and

(v) there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

(22) Special efforts in education recognizing the unique cultural and historical circumstances of Native Hawaiians are required.

SEC. 3803. PURPOSE.

It is the purpose of this part to—

(1) authorize and develop supplemental educational programs to assist Native Hawaiians in reaching the National Education Goals,

(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including those made available by the title on the problem of Native Hawaiian Education, and

(3) supplement and expand existing programs and authorities in the area of education to further the purposes of the title.

(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian Education Programs.

SEC. 3804. NATIVE HAWAIIAN EDUCATION COUNCIL.

(a) ESTABLISHMENT.—In order to better effectuate the purposes of this part through assistance in the coordination of services and programs provided for under this part, the Secretary shall establish a Native Hawaiian Education Council.

(b) COMPOSITION.—Such Council shall consist of, but not be limited to:

(1) representatives of each of the programs which receive federal funding under this part;

(2) a representative from the Office of the Governor;

(3) a representative from the Office of Hawaiian Affairs;

(4) representatives of other Native Hawaiian Educational organizations and Native Hawaiian organizations which receive Federal or state education funds; and

(5) parent, student, educator and community organizations.

(c) CONDITIONS AND TERMS.—All members of the Council shall be residents of the State of Hawaii, and at least half of the members shall be Native Hawaiian. Members of the Council shall be appointed for five year terms.

(d) DUTIES AND RESPONSIBILITIES.—(1) The Council shall provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including those made available by this title on Native Hawaiian Education.

(2) The Council is authorized to make available to Congress any information, advice, and recommendations that the Council is authorized to give to the Secretary.

(3) The Secretary shall, whenever practicable, consult with the Council before taking any significant action related to the education of Native Hawaiians. Any advice or recommendation made by the Council to the Secretary shall reflect the independent judgment of the Council on the matter concerned.

(e) ADMINISTRATIVE PROVISIONS.—The Council shall meet at the call of the Chair, or upon the request of the majority of the Council, but in any event not less than twice during each calendar year. All matters relating to, or proceedings of, the Council need not comply with the Federal Advisory Committee Act.

(f) COMPENSATION.—A member of the Native Hawaiian Council shall not receive any compensation for service on the Council.

(g) ANNUAL REPORT.—The Council shall present to the Secretary an annual report on its activities.

(h) REPORT TO CONGRESS.—Not later than 4 years after the date of the enactment of the Improving America's Schools Act, the Secretary shall prepare and submit to the Senate Committee on Indian Affairs and the House Committee on Education and Labor, a report which summarizes the annual reports of the Native Hawaiian

Council, describes the allocation and utilization of monies under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

SEC. 3805. NATIVE HAWAIIAN LANGUAGE IMMERSION PROJECT.

(a) NATIVE HAWAIIAN LANGUAGE IMMERSION AUTHORITY.—In order to continue the state-wide effort at revitalizing the Native Hawaiian Language through the Punana Leo Project and the State of Hawaii's immersion project, the Secretary shall make direct grants to—

(1) Aha Punana Leo for the continued maintenance of the Punana Leo Project, a family-based Hawaiian Immersion preschool program;

(2) the State of Hawaii for education support services for the State of Hawaii's Hawaiian Immersion Program; and to

(3) the State of Hawaii to establish a center for Native Hawaiian curriculum development and teacher training.

(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,500,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

SEC. 3806. NATIVE HAWAIIAN FAMILY-BASED EDUCATION CENTERS.

(a) GENERAL AUTHORITY.—The Secretary shall make direct grants to Native Hawaiian Organizations (including Native Hawaiian Educational Organizations) to develop and operate a minimum of eleven Family-Based Education Centers throughout the Hawaiian Islands. Such centers shall include—

(1) Parent-Infant programs (prenatal through age 3);

(2) Preschool programs for four and five year-olds;

(3) continued research and development; and

(4) long term followup and assessment program.

(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for the centers described in subsection (a), there is authorized to be appropriated $6,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

SEC. 3807. NATIVE HAWAIIAN HIGHER EDUCATION DEMONSTRATION PROGRAM.

(a) HIGHER EDUCATION GENERAL AUTHORITY.—The Secretary shall make grants to the Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration program to provide Higher Education fellowship assistance to Native Hawaiian students. The demonstration program under this program may include—

(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited two or four year degree granting institution of higher education with awards to be based on academic potential and financial need;

(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (a)(1) of this section;

(3) college preparation and guidance counseling at the secondary school level for students who may be eligible for fellowship assistance pursuant to subsection (a)(1) of this section;

(4) appropriate research and evaluation of the activities authorized by this section; and

(5) implementation of faculty development programs for the improvement and matriculation of Native Hawaiian students.

(b) Grants Authorized.—The Secretary shall make grants to Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration project of fellowship assistance for Native Hawaiian students in post-bachelor degree programs. Such project may include—

(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited post-bachelor degree granting institution of higher education, with priority given to professions in which Native Hawaiians are under-represented and with awards to be based on academic potential and financial need;

(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (b)(1) of this section; and

(3) appropriate research and evaluation of the activities authorized by this section.

(c) Special Condition Required.—For the purpose of subsection (b) fellowship conditions shall be established whereby recipients obtain an enforceable contract obligation to provide their professional services, either during their fellowship or upon completion of post-bachelor degree program, to the Native Hawaiian community within the State of Hawaii.

(d) Special Rule.—No policy shall be made in implementing this Section to prevent a Native Hawaiian student enrolled at an accredited two or four year degree granting institution of higher education outside of the State of Hawaii from receiving a fellowship pursuant to Paragraphs (a) and (b) of this Section.

(e) Administrative Costs.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

(f) Authorization of Appropriations.—

(1) There are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999 for the purpose of funding the fellowship assistance demonstration project under subsection (a).

(2) There are authorized to be appropriated $1,500,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999 for the purpose of funding the fellowship assistance demonstration project provided under subsection (b).

(3) Funds appropriated under the authority of this subsection shall remain available until expended.

SEC. 3808. NATIVE HAWAIIAN GIFTED AND TALENTED DEMONSTRATION PROGRAM.

(a) Gifted and Talented Demonstration Authority.—

(1) The Secretary shall provide a grant to, or enter into a contract with, the University of Hawaii at Hilo for—

(A) the establishment of a Native Hawaiian Gifted and Talented Center at the University of Hawaii at Hilo, and

(B) for demonstration projects designed to—

(i) address the special needs of Native Hawaiian elementary and secondary school students who are gifted and talented students, and

(ii) provide those support services to their families that are needed to enable such students to benefit from the project.

Such grant or contract shall be subject to the availability of appropriated funds and, contingent on satisfactory performance by the grantee, shall be provided for a term of 3 years.

(2) After the term of the grant or contract provided, or entered into, under paragraph (1) has expired, the Secretary shall, for the purposes described in subparagraphs (A) and (B) of paragraph (1), provide a grant to, or enter into a contract with, the public, 4-year, fully accredited institution of higher education located in the State of Hawaii which has made the greatest contribution to Native Hawaiian students. Such grant or contract shall be provided on an annual basis. The grantees shall be authorized to subcontract when appropriate, including with the Children's Television Workshop.

(b) USES OF FUNDS.—Demonstration projects funded under this section may include—

(1) the identification of the special needs of gifted and talented students, particularly at the elementary school level, with attention to—

(A) the emotional and psychosocial needs of these students, and

(B) the provision of those support services to their families that are needed to enable these students to benefit from the projects;

(2) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including, but not limited to, demonstrating and exploring the use of the Native Hawaiian language and exposure to Native Hawaiian cultural traditions;

(3) the use of public television in meeting the special educational needs of such gifted and talented children;

(4) leadership programs designed to replicate programs for such children throughout the State of Hawaii and to other Native American peoples, including the dissemination of information derived from demonstration projects conducted under this section; and

(5) appropriate research, evaluation, and related activities pertaining to—

(A) the needs of such children, and

(B) the provision of those support services to their families that are needed to enable such children to benefit from the projects.

(c) INFORMATION PROVISION.—The Secretary shall facilitate the establishment of a national network of Native Hawaiian and American Indian Gifted and Talented Centers, and ensure that the information developed by these centers shall be readily available to the educational community at large.

(d) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

(e) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for projects described in this section there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

SEC. 3809. NATIVE HAWAIIAN SPECIAL EDUCATION PROGRAM.

(a) SPECIAL EDUCATION AUTHORITY.—The Secretary shall make grants to, and enter into contracts with, Pihana Na Mamo, to operate projects to address the special education needs of Native Hawaiian students. Such projects assisted under this section may include—

(1) the identification of Native Hawaiian children who are learning disabled, mentally or physically handicapped, educable mentally retarded, or otherwise in need of special educational services;

(2) the identification of special education needs of such children, particularly at the elementary school level, with attention to—

(A) the emotional and psychosocial needs of these students, and

(B) the provision of those support services to their families that are needed to enable such children to benefit from the projects.

(b) ADMINISTRATIVE COSTS.—No more than 7 percent of the funds appropriated to carry out the provisions of this section for any fiscal year may be used for administrative purposes.

(c) MATCHING FUNDS.—(1) The Secretary may not make a grant or provide funds pursuant to a contract under this subsection—

(A) in an amount exceeding 83.3 percent of the costs of providing health services under the grant or contract; and

(B) unless Pihana Na Mamo agrees that the State of Hawaii, the Office of Hawaiian Affairs, or any other non-Federal entity will make available, directly or through donations to the Native Hawaiian Special Education Project, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under paragraph (2)) for each $5 of Federal funds provided in such grant or contract.

(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government or services assisted or subsidized to any significant extent by the Federal Government may not be included in determining the amount of non-Federal contributions.

(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amount authorized for such project, there is authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may

be necessary for fiscal years 1996 through 1999. Such funds shall remain available until expended.

SEC. 3810. ADMINISTRATIVE PROVISIONS.

(a) APPLICATION REQUIRED.—No grant may be made under this part, nor any contract be entered into under this part, unless an application is submitted to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this title.

(b) SPECIAL RULE.—Each application submitted under this title shall be accompanied by the comments of each local educational agency serving students who will participate in the project for which assistance is sought.

SEC. 3811. DEFINITIONS.

For the purposes of this part—

(1) The term Native Hawaiian means any individual who is—

(A) a citizen of the United States,

(B) a resident of the State of Hawaii, and

(C) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii, as evidenced by—

(i) genealogical records,

(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification, or

(iii) birth records of the State of Hawaii.

(2) The term Secretary means the Secretary of Education.

(3) The term Native Hawaiian Educational Organization means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians,

(B) has Native Hawaiians in substantive and policy-making positions within the organizations,

(C) has a demonstrated expertise in the education of Native Hawaiian youth, and

(D) has demonstrated expertise in research and program development.

(4) The term Native Hawaiian Organization means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians, and

(B) has Native Hawaiians in substantive and policy-making positions within the organizations,

(C) is recognized by the Governor of Hawaii for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

(5) The term elementary school has the same meaning given that term under section 9101 of this Act.

(6) The term local educational agency has the same meaning given that term under section 9101 of this Act.

(7) The term secondary school has the same meaning given that term under section 9101 of this Act.

PART H—ALLEN J. ELLENDER FELLOWSHIP PROGRAM

SEC. 3901. FINDINGS.

The Congress makes the following findings:

(1) It is a worthwhile goal to ensure that all students in America are prepared for responsible citizenship and that all students should have the opportunity to be involved in activities that promote and demonstrate good citizenship.

(2) It is a worthwhile goal to ensure that America's educators have access to programs for the continued improvement of their professional skills.

(3) Allen J. Ellender, a Senator from Louisiana and President pro tempore of the United States Senate, had a distinguished career in public service characterized by extraordinary energy and real concern for young people. Senator Ellender provided valuable support and encouragement to the Close Up Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and educators. Therefore, it is a fitting and appropriate tribute to Senator Ellender to provide fellowships in his name to students of limited economic means, the teachers who work with them and older Americans so that they may participate in the programs supported by the Close Up Foundation.

Subpart 1—Program for Middle and Secondary School Students

SEC. 3911. ESTABLISHMENT.

(a) General Authority.—The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among middle and secondary school students.

(b) Use of Funds.—Grants under this title shall be used only for financial assistance to economically disadvantaged students who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this title by such students shall be known as Allen J. Ellender fellowships.

SEC. 3912. APPLICATIONS.

(a) Application Required.—No grant under this title may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) Contents of Application.—Each such application shall contain provisions to assure—

(1) that fellowship grants are made to economically disadvantaged middle and secondary school students;

(2) that every effort will be made to ensure the participation of students from rural and small town areas, as well as from

urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including physically challenged students, visually- and hearing-impaired students, ethnic minority students, and gifted and talented students; and

(3) the proper disbursement of the funds of the United States received under this title.

Subpart 2—Program for Middle and Secondary School Teachers

SEC. 3915. ESTABLISHMENT.

(a) General Authority.—The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of teaching skills enhancement for middle and secondary school teachers.

(b) Use of Funds.—Grants under this title shall be used only for financial assistance to teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this title by such individuals shall be known as Allen J. Ellender fellowships.

SEC. 3916. APPLICATIONS.

(a) Application Required.—No grant under this subpart may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) Contents of Application.—Each such application shall contain provisions to assure—

(1) that fellowship grants are made only to teachers who have worked with at least one student from his or her school who participates in the programs described in section 101(a);

(2) that not more than one teacher in each school participating in the programs provided for in section 101(a) may receive a fellowship in any fiscal year;

(3) the proper disbursement of the funds of the United States received under this title.

Subpart 3—Programs for Recent Immigrants, Students of Migrant Parents and Older Americans

SEC. 3921. ESTABLISHMENT.

(a) General Authority.—(1) The Secretary is authorized to make grants in accordance with the provisions of this title to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing understanding of the Federal Government among economically disadvantaged older Americans, recent immigrants and students of migrant parents.

(2) For the purpose of this subpart, the term "older American" means an individual who has attained 55 years of age.

(b) USE OF FUNDS.—Grants under this subpart shall be used only for financial assistance to economically disadvantaged older Americans, recent immigrants and students of migrant parents who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this subpart by such individuals shall be known as Allen J. Ellender fellowships.

SEC. 3922. APPLICATIONS.

(a) APPLICATION REQUIRED.—No grant under this subpart may be made except upon application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF APPLICATION.—Each such application shall contain provisions to assure—

(1) that fellowship grants are made to economically disadvantaged older Americans, recent immigrants and students of migrant parents;

(2) that every effort will be made to ensure the participation of older Americans, recent immigrants and students of migrant parents from rural and small town areas, as well as from urban areas, and that in awarding fellowships, special consideration will be given to the participation of older Americans, recent immigrants and students of migrant parents with special needs, including physically challenged individuals, visually- and hearing-impaired individuals, ethnic minorities, and gifted and talented students;

(3) that activities permitted by section 301(a) are fully described; and

(4) the proper disbursement of the funds of the United States received under this title.

Subpart 4—General Provisions

SEC. 3925. ADMINISTRATIVE PROVISIONS.

(a) GENERAL RULE.—Payments under this part may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

(b) AUDIT RULE.—The Comptroller General of the United States or any of the Comptroller General's duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this part.

SEC. 3926. AUTHORIZATION OF APPROPRIATIONS.

(a) There are authorized to be appropriated to carry out the provisions of subparts 1, 2, and 3 of this part $4,400,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(b) Of the funds appropriated pursuant to subsection (a), not more than 30 percent may be used for teachers associated with students participating in the programs described in section 3911(a).

PART I—TERRITORIAL EDUCATION IMPROVEMENT PROGRAM

SEC. 3931. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the attainment of a high quality education is important to a society and to each individual;

(2) it is the policy of the United States that all citizens have a fair opportunity to receive a high quality education;

(3) such opportunity should extend to United States citizens and nationals residing in the outlying areas;

(4) reports show that the outlying areas have repeatedly placed last in national education tests which measure knowledge in core subject areas;

(5) all students must realize their potential if the United States is to prosper; and

(6) students in the outlying areas require additional assistance if they are to obtain the high standards established for all students in the United States.

(b) PURPOSES.—The purpose of this part is to authorize an education improvement program for the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau which will assist in developing programs which will enhance student learning, increase the standard of education, and improve the performance levels of all students.

SEC. 3932. GRANT AUTHORIZATION.

The Secretary is authorized to make grants to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands and Palau, until the effective date of the Compact of Free Association with the Government of Palau, to fund innovative education improvement programs which will increase student learning.

SEC. 3933. RESTRICTIONS.

(a) CONSTRUCTION.—No funds from a grant under section 3922 may be used for construction.

(b) FULL USE.—If funds authorized under section 3922 are not fully committed within the period of the grant, the grant for the next period shall be reduced by the amount of funds not fully committed.

SEC. 3934. AUTHORIZATION.

There are authorized to be appropriated for grants under section 3922 $5,000,000 for each of the fiscal years 1994 through 1999.

TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

SEC. 4001. SHORT TITLE.

This title may be cited as the "Safe and Drug-Free Schools and Communities Act of 1994".

SEC. 4002. FINDINGS.

The Congress finds as follows:

(1) National Education Goal Six provides that by the year 2000, all schools in America will be free of drugs and violence

and offer a disciplined environment that is conducive to learning.

(2) The widespread illegal use of alcohol and other drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to their physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

(3) Our Nation's schools and communities are increasingly plagued by violence and crime. Approximately three million thefts and violent crimes occur in or near our Nation's schools every year, the equivalent of more than 16,000 incidents per school day. Approximately one of every five high school students now carries a firearm, knife, or club on a regular basis.

(4) The tragic consequences of violence and the illegal use of alcohol and drugs by students are felt not only by students and their families, but by their communities and the Nation, which can ill afford to lose their skills, talents, and vitality.

(5) While use of illegal drugs is a serious problem among a minority of teenagers, alcohol use is far more widespread. The proportion of high school students using alcohol, though lower than a decade ago, remains unacceptably high. By the 8th grade, 70 percent of youth report having tried alcohol and by the 12th grade, about 88 percent have used alcohol. Alcohol use by young people can and does have adverse consequences for users, their families, communities, schools, and colleges.

(6) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety and to reduce the demand for and use of drugs throughout the Nation. Schools and local organizations in communities throughout the Nation have a special responsibility to work together to combat the growing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

(7) Students must take greater responsibility for their own well-being, health, and safety if schools and communities are to achieve their goals of providing a safe, disciplined, and drug-free learning environment.

SEC. 4003. PURPOSE.

The purpose of this title is to support programs to meet Goal Six of the National Educational Goals by preventing violence in and around schools and by strengthening programs that prevent the illegal use of alcohol and drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources, through the provision of Federal assistance to—

(1) States for grants to local and intermediate educational agencies and consortia to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

(2) States for grants to local and intermediate educational agencies and consortia for grants to, and contracts with, community-based organizations and other public and private non-profit agencies and organizations for programs of drug and violence prevention, early intervention, rehabilitation referral, and education;

(3) States for development, training, technical assistance, and coordination activities;

(4) public and private non-profit organizations to conduct training, demonstrations, and evaluation, and to provide supplementary services for the prevention of drug use and violence among students and youth; and

(5) institutions of higher education for the development and implementation of model programs and strategies to promote the safety of students attending institutions of higher education by preventing violent behavior and the illegal use of alcohol and drugs by such students.

SEC. 4004. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) for State grants under part A, $630,000,000 for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999; and

(2) for national programs under part B, $25,000,000 for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999.

(b) AVAILABILITY.—(1) Appropriations for any fiscal year for payments made under this title in accordance with regulations of the Secretary may be made available for obligation or expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

(2) Funds appropriated for any fiscal year under this title shall remain available for obligation and expenditure until the end of the fiscal year succeeding the fiscal year for which such funds were appropriated.

PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

SEC. 4101. RESERVATIONS AND ALLOTMENTS.

(a) RESERVATIONS.—From the amount appropriated for each fiscal year under section 5004(a)(1), the Secretary—

(1) shall reserve 1 percent of such amount for grants under this part to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be allotted in accordance with their respective needs;

(2) shall reserve one percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

(3) shall reserve 0.2 percent for programs for Native Hawaiians under section 5202; and

(4) may reserve no more than $1,000,000 for the national impact evaluation required by section 5106(a).

(b) STATE ALLOTMENTS.—(1) Except as provided under paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

(B) one-half of such remainder according to the ratio between the amount each State received under section 1124 and 1124A of this Act for the preceding year (or, for fiscal year 1995 only, sections 1005 and 1006 of this Act as in effect on the day before enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994) and the sum of such amounts received by all the States.

(2) For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

(3) The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within two years of such allotment. Such reallotments shall be made on the same basis as allotments made under paragraph (1).

(4) For the purpose of this subsection, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 4102. STATE APPLICATIONS.

(A) IN GENERAL.—In order to receive its allotment under section 5101 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted with its allotment under section 5101;

(2)(A)(i) is integrated into the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, and satisfies the requirements of this section that are not already addressed by that plan; and

(ii) is submitted, if necessary, as an amendment to the State's plan under title III of the Goals 2000: Educate America Act; or

(B) if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan, is integrated with other State plans under this Act and satisfies the requirements of this section;

(3) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the prevalence of drug use and violence by youth in schools and communities;

(4) has been developed in consultation with the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State child welfare agency, and the heads of the State criminal and juvenile justice planning agencies;

(5) contains a description of the procedures the State educational agency will use to review applications from local educational agencies under section 5104;

(6) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 5106(a); and

(7) includes any other information the Secretary may require.

(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 5103(a) by the State educational agency that includes—

(1) a statement of the State educational agency's measurable goals and objectives for drug and violence prevention and a description of the procedures it will use for assessing and publicly reporting progress toward meeting those goals and objectives;

(2) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 5105;

(3) a description of how the State educational agency will use funds it reserves under section 5103(b);

(4) a description of how the State educational agency will coordinate its activities under this part with drug and violence prevention efforts of other State agencies; and

(5) an explanation of the criteria the State educational agency will use to identify which local educational agencies receive supplemental funds under section 5103(d)(2)(A)(i)(II) and how the supplemental funds will be allocated among those local educational agencies.

(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 1995 a one-year interim application and plan for the use of funds under this part that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review its application and comprehensive plan otherwise required by this section. A State may not receive a grant under this part for a fiscal year subsequent to fiscal year 1995 unless the Secretary has approved its application and comprehensive plan.

SEC. 4103. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

(a) USE OF FUNDS.—(1) Except as provided in paragraph (2), the total amount allocated to a State under section 5101 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

(2)(A) If a State has, on or before January 1, 1994, established an independent State agency for the purpose of administering all of the funds described in section 5121 of this Act (as such section was in effect on the day before the date of the enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994), then—

(i) an amount equal to 70 percent of the total amount allocated to such State under section 5101 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section; and

(ii) an amount equal to 30 percent of such total amount shall be used by such independent State agency for drug and violence prevention activities in accordance with section 5122 of this Act (as such section was in effect on the day before the date of the enactment of the Safe and Drug-Free Schools and Communities Act Amendments of 1994).

(B) Not more than 2.5 percent of the amount reserved under subparagraph (A)(ii) may be used for administrative costs of the independent State agency incurred in carrying out the activities described in such subparagraph.

(C) For purposes of this paragraph, the term "independent State agency" means an independent agency with a board of directors or a cabinet level agency whose chief executive officer is appointed by the chief executive officer of the State and confirmed with the advice and consent of the senate of such State.

(b) STATE LEVEL PROGRAMS.—(1) A State educational agency shall use no more than five percent of the amount reserved under subsection (a) for activities such as—

(A) training and technical assistance concerning drug and violence prevention for local and intermediate educational agencies, including teachers, administrators, counselors, coaches and athletic directors, other educational personnel, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

(B) the development, identification, dissemination and evaluation of the most readily available, accurate, and up-to-date curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

(C) demonstration projects in drug and violence prevention;

(D) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this part; and

(E) the evaluation of activities carried out within the State under this part.

(2) A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

(c) STATE ADMINISTRATION.—(1) A State educational agency may use no more than four percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

(2) In administering its programs under this part, a State educational agency may not delegate or transfer any administrative functions in any manner to any other State entity.

(d) LOCAL EDUCATIONAL AGENCY PROGRAMS.—(1) A State educational agency shall distribute not less than 92 percent of the

amount reserved under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

(2)(A)(i) Of the amount distributed under subsection (d)(1), a State educational agency shall distribute—

(I) 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit schools within their boundaries; and

(II) 30 percent of such amount to local educational agencies that the State educational agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this part.

(ii) To the extent practicable, not less than 25 percent of the amount specified in clause (i)(II) for a fiscal year shall be distributed to local educational agencies located in rural areas.

(B)(i) A State educational agency shall distribute funds under subparagraph (A)(i)(II) to no more than ten percent of its local educational agencies, or five such agencies, whichever is greater.

(ii) In determining which local educational agencies have the greatest need for additional funds, the State educational agency shall consider such factors as—

(I) high rates of alcohol or other drug use among youth;

(II) high rates of victimization of youth by violence and crime;

(III) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

(IV) the extent of illegal gang activity;

(V) high rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

(VI) high rates of referrals of youths to juvenile court;

(VII) high rates of expulsions and suspensions of students from schools; and

(VIII) high rates of reported cases of child abuse and domestic violence.

(e) REALLOCATION OF FUNDS.—If a local educational agency chooses not to apply to receive the amount allocated to it under subsection (d), or if its application under section 5104 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of the local education agencies determined by the State educational agency under subsection (d)(2)(B) to have the greatest need for additional funds.

(f) RETURN OF FUNDS TO STATE EDUCATIONAL AGENCY; REALLOCATION.—(1) Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency, intermediate educational agency, or consortium under this title receives its allocation under this title—

(A) such agency or consortium shall return to the State educational agency any funds from such allocation that remain unobligated; and

(B) the State educational agency shall reallocate any such amount to local educational agencies, intermediate educational agencies, or consortia that have plans for using such amount for programs or activities on a timely basis.

(2) In any fiscal year, a local educational agency, intermediate educational agency, or consortium may retain for obligation in the succeeding fiscal year—

(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

SEC. 4104. LOCAL APPLICATIONS.

(a) IN GENERAL.—(1) In order to be eligible to receive an allocation under section 5103(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

(2)(A) A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, appropriate state agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

(B) In addition to assisting the local educational agency to develop its application under this section, the advisory council established or designated under paragraph (2)(A) shall, on an on-going basis—

(i) disseminate information about drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

(ii) advise the local educational agency on how best to coordinate its activities under this part with other related programs, projects, and activities, including community service and service learning projects, and the agencies that administer them; and

(iii) review program evaluations and other relevant material and make recommendations to the local educational agency on how to improve its drug and violence prevention programs.

(b) CONTENTS OF APPLICATIONS.—An application under this section shall contain—

(1) an assessment of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

(2) a detailed explanation of the local educational agency's comprehensive plan for drug and violence prevention, which shall include a description of—

(A) how that plan is consistent with, and promotes the goals in, the State's application under section 5102 and the local educational agency's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, or, if the local educational agency does not have such an approved plan and is not developing one, its plan under section 1112 of this Act;

(B) the local educational agency's measurable goals for drug and violence prevention, and a description of how it

will assess and publicly report progress toward attaining these goals;

(C) the local educational agency's comprehensive plan for programs to be carried out under this part;

(D) how the local educational agency will use its regular allocation under section 5103(d)(2)(A)(i)(I) and its supplemental allocation, if any, under section 5103(d)(2)(A)(i)(II);

(E) how the local educational agency will coordinate its programs and projects with community-wide efforts to achieve its goals for drug and violence prevention; and

(F) how the local education agency will coordinate its programs and projects with other Federal, State, and local programs for drug-abuse prevention, including health programs; and

(3) such other information and assurances as the State educational agency may reasonably require.

(c) REVIEW OF APPLICATION.—(1) In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

(2)(A) In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(2) and the extent to which it is consistent with, and supports, the State's application under section 5102 and the State's plan under the Goals 2000: Educate America Act, and, if the State does not have such a plan, its plan under section 1111 of this Act.

(B) A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part or the State's plan under the Goals 2000: Educate America Act, and, if the State does not have such a plan, its plan under section 1111 of this Act, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

SEC. 4105. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

(a) PROGRAM REQUIREMENTS.—A local educational agency shall use funds received under this part to adopt and carry out a comprehensive drug and violence prevention program which shall—

(1) be designed, for all students and employees, to—

(A) prevent the use, possession, and distribution of tobacco, alcohol and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees;

(B) prevent violence and promote school safety; and

(C) create a disciplined environment conducive to learning;

(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs assessments, goals, and programs under this part; and

(3) include community-based prevention and education activities in accordance with the requirements of subsection (c).

(b) AUTHORIZED ACTIVITIES.—A comprehensive drug and violence prevention program carried out under this part may include—

(1) age-appropriate, developmentally based drug prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

(2) programs of drug prevention, comprehensive health education, early intervention, counseling, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

(A) the dissemination of information about drug prevention;

(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, counseling or rehabilitation referral;

(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol and other drug use, such as—

(i) family counseling;

(ii) early intervention activities that prevent family dysfunction, enhance school performance, and boost attachment to school and family; and

(iii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence;

(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

(A) the dissemination of information about school safety and discipline;

(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

(C) the implementation of strategies, such as conflict resolution and peer mediation and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment; and

(D) comprehensive, community-wide strategies to prevent or reduce illegal gang activities;

(5) subject to the requirements of the matter following paragraph (8), not more than one half of the cost of—

(A) minor remodeling to promote security and reduce the risk of violence, such as removing lockers, installing better lights, and upgrading locks; and

(B) acquiring and installing metal detectors and hiring security personnel;

(6) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings; and

(7) drug abuse resistance education programs, designed to teach students to recognize and resist pressures to use alcohol or other drugs, which may include activities such as classroom instruction by uniformed law enforcement officers, resistance techniques, resistance to peer pressure and gang pressure, and provision for parental involvement;

(8) the evaluation of any of the activities authorized under this subsection.

A local educational agency may use no more than 33 percent of the funds it receives under this part for any fiscal year for the activities described in paragraph (5).

(c) COMMUNITY-BASED PREVENTION ACTIVITIES.—(1) A local educational agency shall expend not less than 21 per cent of the funds received under this part on grants or contracts with parent groups, community action and job training agencies, community-based organizations, and other public entities and private nonprofit organizations. Such grants or contracts shall support community-based drug abuse and violence prevention programs and activities described in paragraph (2). In awarding such grants or contracts, the local educational agency shall give priority to programs of demonstrated effectiveness and programs which have previously received assistance under section 5122 of the Drug-Free Schools and Communities Act of 1986.

(2) Grants and contracts under paragraph (1) shall be used for programs and activities such as—

(A) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training, community service and service learning projects, law enforcement, health, mental health, and other appropriate services;

(B) planning and implementing drug and violence prevention activities that coordinate the efforts of community-based agencies with those of the local educational agency;

(C) activities to protect students traveling to and from school;

(D) developing and implementing strategies to prevent illegal gang activity;

(E) coordinating and conducting community-wide violence and safety assessments and surveys; and

(F) programs and activities which address the needs of children and youth who are not normally served by the local educational agency, including preschoolers, dropouts, youth in juve-

nile detention facilities, and runaways or homeless children and youth;

(G) disseminating information about drug and violence prevention;

(H) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, education, early intervention, counseling, or rehabilitation referral; and

(I) before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings.

(d) ADMINISTRATIVE PROVISIONS.—Notwithstanding any other provisions of law, any funds expended prior to July 1, 1995, under part B of the Drug-Free Schools and Communities Act of 1986 (as in effect prior to enactment of the Improving America's Schools Act) for the support of a comprehensive school health program shall be deemed to have been authorized by part B of such Act.

SEC. 4106. EVALUATION AND REPORTING.

(a) NATIONAL IMPACT EVALUATION.—The Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall conduct an independent biennial evaluation of the national impact of programs under this part and submit a report of the findings of such evaluation to the President and the Congress.

(b) STATE REPORT.—(1) By October 1, 1997, and every third year thereafter, the State educational agency shall submit to the Secretary a report—

(A) on the implementation and outcomes of State programs under section 5103(b) and local programs under section 5103(d), as well as an assessment of their effectiveness; and

(B) on the State's progress toward attaining its goals for drug and violence prevention under section 5103(b)(1).

(2) The report required by this subsection shall be—

(A) in the form specified by the Secretary;

(B) based on the State's on-going evaluation activities, and shall include data on the prevalence of drug use and violence by youth in schools and communities; and

(C) made readily available to the public.

(c) LOCAL EDUCATIONAL AGENCY REPORT.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency whatever information, and at whatever intervals, the State requires to complete the State report required by subsection (b), including information on the prevalence of drug use and violence by youth in the schools and the community. Such information shall be made readily available to the public.

PART B—NATIONAL PROGRAMS

SEC. 4201. FEDERAL ACTIVITIES.

(a) PROGRAM AUTHORIZED.—From funds appropriated under section 5004(a)(2), the Secretary of Education, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence

among, and promote safety and discipline for, students at all educational levels, preschool through postsecondary. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

(1) the development and demonstration of innovative strategies for training school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention that are carried out in cooperation with other Federal agencies, including the Department of Health and Human Services, the Department of Justice, the Department of Housing and Urban Development, and the Department of Labor;

(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 509 of the Public Health Service Act;

(4) the development, dissemination, and implementation of model programs and strategies to promote the safety of students attending institutions of higher education by preventing violent behavior and the illegal use of alcohol and other drugs by such students;

(5) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary school children;

(6) program evaluations that address issues not addressed under section 5106(a);

(7) direct services to schools and school systems afflicted with especially severe drug and violence problems;

(8) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

(9) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

(10) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

(11) the implementation of innovative activities, such as community service projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility.

(12) other activities that meet unmet national needs related to the purposes of this title; and

(13) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects

that provide young people with models for conflict resolution and responsible decisionmaking.

(b) Peer Review.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

SEC. 4202. PROGRAMS FOR NATIVE HAWAIIANS.

(a) General Authority.—From the funds reserved pursuant to section 5101(a)(3), the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this for the benefit of Native Hawaiians.

(b) Definition of "Native Hawaiian".—For the purposes of this section, the term "Native Hawaiian" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

PART C—GENERAL PROVISIONS

SEC. 4301. DEFINITIONS.

For the purposes of this title, the following terms have the following meanings:

(1) The term "drug and violence prevention" means—

(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol, the use of tobacco and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids; and

(B) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

(2) The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(3) The term "school-aged population" means the population aged five through 17, inclusive, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

(4) The term "school personnel" includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

SEC. 4302. MATERIALS.

(a) "WRONG AND HARMFUL" MESSAGE.—Drug prevention programs supported under this title shall convey a clear and consistent message that the illegal use of alcohol and other drugs is wrong and harmful.

(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this title, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

SEC. 4303. PROHIBITED USES OF FUNDS.

No funds under this title may be used for—

(1) construction (except for minor remodeling needed to accomplish the purposes of this title);

(2) drug treatment or rehabilitation; and

(3) psychiatric, psychological, or other medical treatment or rehabilitation, other than school-based counseling for students or school personnel who are victims or witnesses of school-related crime.

SEC. 4304. CERTIFICATION OF DRUG AND ALCOHOL ABUSE PREVENTION PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law other than section 432 of the General Education Provisions Act and section 103(b) of the Department of Education Organization Act, no local educational agency shall be eligible to receive funds or any other form of financial assistance under any Federal program unless it certifies to the State educational agency that it has adopted and has implemented a program to prevent the use of illicit drugs and alcohol by students or employees that, at a minimum, includes—

(1) age-appropriate, developmentally based drug and alcohol education and prevention programs (which address the legal, social, and health consequences of drug and alcohol use and which provide information about effective techniques for resisting peer pressure to use illicit drugs or alcohol) for students in all grades of the schools operated or served by the applicant, from early childhood level through grade 12;

(2) conveying to students that the use of illicit drugs and the unlawful possession and use of alcohol is wrong and harmful;

(3) standards of conduct that are applicable to students and employees in all the applicant's schools and that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on school premises or as part of any of its activities;

(4) a clear statement that sanctions (consistent with local, State, and Federal law), up to and including expulsion or termination of employment and referral for prosecution, will be imposed on students and employees who violate the standards of conduct required by paragraph (3) and a description of those sanctions;

(5) information about any available drug and alcohol counseling and rehabilitation and re-entry programs that are available to students and employees;

(6) a requirement that parents, students, and employees be given a copy of the standards of conduct required by paragraph (3) and the statement of sanctions required by paragraph (4);

(7) notifying parents, students, and employees that compliance with the standards of conduct required by paragraph (3) is mandatory; and

(8) a biennial review by the applicant of its program to—

(A) determine its effectiveness and implement changes to the program if they are needed; and

(B) ensure that the sanctions required by paragraph (4) are consistently enforced.

(b) DISSEMINATION OF INFORMATION.—Each local educational agency that provides the certification required by subsection (a) shall, upon request, make available to the Secretary, the State educational agency, and to the public full information about the elements of its program required by subsection (a), including the results of its biennial review.

(c) CERTIFICATION TO SECRETARY.—Each State educational agency shall certify to the Secretary that it has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by its students and employees that is consistent with the program required by subsection (a) of this section. The State educational agency shall, upon request, make available to the Secretary and to the public full information about the elements of its program.

(d) REGULATIONS.—(1) The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

(A) the periodic review by State educational agencies of a representative sample of programs required by subsection (a); and

(B) a range of responses and sanctions for local educational agencies that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance.

(2) The sanctions required by subsection (a)(1)(4) may include the completion of an appropriate rehabilitation program.

(e) APPEAL REGARDING TERMINATION OF ASSISTANCE.—Upon a determination by the Secretary to terminate financial assistance to any local educational agency under this section, the agency may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such agency is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the agency concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action..

TITLE V—MAGNET SCHOOLS ASSISTANCE

PART A—PROMOTING EQUITY

SEC. 5101. FINDINGS.

The Congress finds that—

(1) magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation in its schools;

(2) the use of magnet schools has increased dramatically since enactment of the magnet program, with approximately 1.4 million students nationwide now attending such schools, of which more than 60 percent of the students are nonwhite;

(3) magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts;

(4) in administering this program, the Federal Government has learned that—

(A) where magnet programs are implemented for only a portion of a school's student body, special efforts must be made to discourage the isolation of magnet students from other students in the school;

(B) local educational agencies can maximize their effectiveness in achieving the purposes of this program if they have more flexibility to serve students attending a school who are not enrolled in the magnet school program;

(C) local educational agencies must be creative in designing magnet schools for students at all academic levels, so that school districts do not skim off only the highest achieving students to attend the magnet schools;

(D) local educational agencies must seek to enable participation in magnet school programs by students who reside in the neighborhoods where the programs are placed; and

(E) in order to ensure that magnet schools are sustained after Federal funding ends, the Federal Government must assist local educational agencies to improve their capacity to continue to operate magnet schools at a high level of performance;

(5) it is in the best interest of the Federal Government to—

(A) continue its support of local educational agencies implementing court-ordered desegregation plans and local educational agencies seeking to foster meaningful interaction among students of different racial and ethnic backgrounds beginning at the earliest stage of their education;

(B) ensure that all students have equitable access to quality education that will prepare them to function well in a culturally diverse, technologically-oriented, and highly competitive global community; and

(C) maximize the ability of local educational agencies to plan, develop, implement and continue new and innovative programs in magnet schools that contribute to State and local systemic reform.

SEC. 5102. STATEMENT OF PURPOSE.

The purpose of this part is to assist in the desegregation of local educational agencies by providing financial assistance to eligible local educational agencies for—

(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students;

(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State performance standards;

(3) the development and design of innovative educational methods and practices; and

(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.

SEC. 5103. PROGRAM AUTHORIZED.

The Secretary is authorized, in accordance with this part, to make grants to eligible local educational agencies for use in magnet schools that are part of an approved desegregation plan and that are designed to bring students from different social, economic, ethnic, and racial backgrounds together.

SEC. 5104. DEFINITION.

For the purpose of this part, the term "magnet school" means a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

SEC. 5105. ELIGIBILITY.

A local educational agency is eligible to receive assistance under this part if it—

(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and that requires the desegregation of minority-group-segregated children or faculty in the elementary and secondary schools of such agency; or

(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

SEC. 5106. APPLICATIONS AND REQUIREMENTS.

(a) APPLICATIONS.—An eligible local educational agency desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

(b) INFORMATION AND ASSURANCES.—An application under this part shall include—

(1) a description of—

(A) how assistance made available under this part will be used to promote desegregation, including how the pro-

posed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

(C) the manner in which an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of whether successful magnet schools established or supported by the applicant with funds under this part have been continued without the use of funds under this part;

(D) how funds under this part will be used to implement services and activities that are consistent with the State's and local educational agency's systemic reform plan, if any, under title III of the Goals 2000: Educate America Act; and

(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

(2) assurances that the applicant will—

(A) use funds under this part for the purposes specified in section 5103;

(B) employ teachers in the courses of instruction assisted under this part who are certified or licensed by the State to teach the subject matter of the courses of instruction;

(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

(ii) the assignment of students to schools, or to courses of instruction within the school, of such agency, except to carry out the approved plan; and

(iii) designing or operating extracurricular activities for students;

(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

(E) give students residing in the local attendance area of the proposed magnet school projects equitable consideration for places in those projects.

(c) SPECIAL RULE.—No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

SEC. 5107. PRIORITY.

In approving applications under this part, the Secretary shall give priority to applicants that—

(1) have the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegragation plan and the projects for which assistance is sought;

(2) propose to carry out new magnet school projects or significantly revise existing magnet school projects;

(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination;

(4) propose to implement innovative educational approaches that are consistent with the State's and local educational agency's approved systemic reform plans, if any, under title III of the Goals 2000: Educate America Act; and

(5) propose to draw on comprehensive community involvement plans.

SEC. 5108. USE OF FUNDS.

(a) USE OF FUNDS.—Grants made under this part may be used by eligible local educational agencies—

(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

(3) for the payment of, or subsidization of the compensation of, elementary and secondary school teachers who are certified or licensed by the State and who are necessary to conduct programs in magnet schools; and

(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

(B) further the purposes of this part.

(b) SPECIAL RULE.—With respect to subsections (a)(2) and (3), such grants may be used by eligible local educational agencies for such activities only if such activities are directly related to improving the students' reading skills or their knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational skills.

SEC. 5109. PROHIBITIONS.

Grants under this part may not be used for transportation, or for any activity that does not augment academic improvement.

SEC. 5110. LIMITATION ON PAYMENTS.

(a) DURATION OF AWARDS.—Awards made under this part shall not exceed 3 years.

(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning up to 50 percent of the funds received under this part for the first year of the project, 15 percent for the second year of the project, and up to 10 percent for the third year of the project.

(c) LIMITATION ON GRANTS.—A local educational agency shall not receive more than $4,000,000 under this part in any one grant cycle.

(d) AWARD REQUIREMENT.—To the extent practicable, for any fiscal year, the Secretary shall award grants to local educational agencies under this part no later than June 1 of the applicable fiscal year.

SEC. 5111. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $120,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall, with respect to such excess amount, give priority to grants to local educational agencies that did not receive a grant under this part in the last fiscal year of the funding cycle prior to the fiscal year for which the determination is made.

(c) EVALUATIONS.—The Secretary may reserve not more than 2 percent of the funds appropriated under subsection (a) for any fiscal year to carry out evaluations of projects under this part.

PART B—EQUALIZATION ASSISTANCE

SEC. 5201. TECHNICAL AND OTHER ASSISTANCE FOR SCHOOL FINANCE.

(a) TECHNICAL ASSISTANCE.—(1) The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, State educational agencies and other public and private agencies, institutions, and organizations to provide technical assistance to State and local educational agencies to assist them in achieving a greater degree of equity in the distribution of financial resources for education among local educational agencies in the State.

(2) A grant or contract under this section may support technical assistance activities, such as—

(A) the establishment and operation of a center or centers for the provision of technical assistance to State and local educational agencies;

(B) the convening of conferences on equalization of resources within local educational agencies, within States, and among States; and

(C) obtaining advice from experts in the field of school finance equalization.

(b) RESEARCH.—(1) The Secretary is authorized to carry out applied research and analysis designed to further knowledge and understanding of methods to achieve greater equity in the distribution of financial resources among local educational agencies.

(2) The Secretary may carry out research under this subsection directly or through grants to, or contracts or cooperative agreements with, any public or private organization.

(3) In carrying out this section, the Secretary is authorized to—

(A) support research on the equity of existing State school funding systems;

(B) train individuals in such research;

(C) promote the coordination of such research;

(D) collect and analyze data related to school finance equity in the United States and other nations; and

(E) report periodically on the progress of States in achieving school finance equity.

(4) The Secretary shall coordinate activities under this subsection with activities carried out by the Office of Educational Research and Improvement.

(5) Each State educational agency or local educational agency receiving assistance under this Act shall provide such data and information on school finance as the Secretary may require to carry out the purposes of this section.

(c) MODELS.—The Secretary is authorized, directly or through grants, contracts, or cooperative agreements, to develop and disseminate models and materials useful to States in planning and implementing revisions of their school finance systems.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated $8,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART C—WOMEN'S EDUCATIONAL EQUITY ACT

SEC. 5301. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) educational programs in the United States are frequently inequitable as such programs relate to women and girls;

(2) such inequities limit the full participation of all individuals in American society; and

(3) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls.

(b) PURPOSE.—The purpose of this part is to provide gender equity in education in the United States; to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and to provide equity in education to women and girls who suffer multiple forms of discrimination based on sex, race, ethnic origin, limited English proficiency, disability, or age.

SEC. 5302. PROGRAMS AUTHORIZED.

The Special Assistant of the Office of Women's Equity is authorized—

(1) to promote, coordinate and evaluate gender equity policies, programs, activities and initiatives in all federal education program and offices;

(2) to develop, maintain, and disseminate materials, resources, analyses and research relating to education equity for women and girls;

(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

(4) coordinate gender equity programs and activities with other federal agencies with jurisdiction over education and related programs;

(5) to provide grants to develop model equity programs;

(6) to provide funds for the implementation of equity programs in schools throughout the Nation;

(7) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

(8) any other activities consistent with achieving the purposes of this part.

SEC. 5303. LOCAL IMPLEMENTATION GRANTS.

(a) AUTHORITY.—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including students and community groups, for activities designed to achieve the purposes of this part at all levels of education, including preschool, elementary and secondary education, higher education, adult education and vocational/technical education; for the establishment and operation, for a period not to exceed four years, of local programs to ensure—

(1) educational equity for women and girls;

(2) equal opportunities for both sexes;

(3) to conduct activities incident to achieving compliance with title IX of the Education Amendments of 1972; and

(b) GRANT PROGRAM.—Authorized activities under subsection (a) may include—

(1) introduction into the curriculum and classroom of curricula, textbooks, and other material designed to achieve equity for women and girls;

(2) implementation of preservice and inservice training with special emphasis on programs and activities designed to provide educational equity for women and girls;

(3) evaluation of promising or exemplary model programs to assess their ability to improve local efforts to advance educational equity for women and girls;

(4) implementation of programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

(5) implementation of guidance and counseling activities, including career education program, designed to ensure educational equity for women and girls;

(6) implementation of nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from use;

(7) implementation of programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low income women; including underemployed and unemployed women and women receiving Aid to Families with Dependent Children benefits;

(8) implementation of programs to improve representation of women in educational administration at all levels; and

(9) planning, development and initial implementation of:

(A) comprehensive plans for implementation of equity programs in state and local educational agencies and institutions of higher education; including community colleges;

(B) innovative approaches to school-community partnerships for educational equity;

(C) innovative approaches to equity programs addressing combined bias, stereotyping, and discrimination on the

basis of sex and race, ethnic origin, limited English proficiency, and disability.

(c) Application; Participation.—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant and in cooperation with appropriate educational and community leaders, including parent, teacher and student organizations, educational institutions, business leaders, community-based organizations serving women, and other significant groups and individuals;

(2) describe a program for carrying out the purpose set forth in Section 5303(b) which holds promise of making substantial contribution toward attaining such purposes;

(3) describe plans for continuation and institutionalization of the program with local support following completion of the grant period and termination of Federal support under this part; and

(4) establish policies and procedures which ensure adequate documentation and evaluation of the activities intended to be carried out under the application.

(d) Criteria; Priorities; Categories of Competition.—The Secretary shall establish criteria, priorities, and categories of competition for awards under this part to ensure that available funds are used for those purposes that most effectively will achieve the purposes of the act.

(1) The Criteria shall address the extent to which—

(A) the program addresses the needs of women and girls of color and women and girls with disabilities:

(B) the program meets locally defined and documented educational equity needs and priorities, including Title IX compliance;

(C) the program is a significant component of a comprehensive plan for educational equity and title IX compliance in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution;

(D) the program implements an institutional change strategy with long-term impact and will continue as a central activity of the applicant agency or institution after the grant is completed.

(2) The Secretary shall establish no more than four priorities, one of which shall be a priority for compliance with title IX of the Education Amendments of 1972. Not more than 80 percent of funds available in each fiscal year shall be allocated to programs under the four priorities.

(3) The Secretary shall establish 3 categories of competition, distinguishing among three types of applicants and levels of education that shall include—

(A) grants to local educational agencies, state education agencies, and other agencies and organizations providing elementary and secondary education;

(B) grants to institutions of higher education, including community colleges and other agencies and organizations providing postsecondary education, including vocational-technical education, adult education, and other programs;

(C) grants to non-profit organizations, including community-based organizations groups representing students, parents, and women, including women and girls of color and women and girls with disabilities.

(e) REQUIREMENT.—Not less than 25 percent of funds used to support activities covered by subsection (b) shall be used for awards under each category of competition in each fiscal year.

(f) SPECIAL RULE.—The Secretary shall ensure that the total of grants awarded each year address—

(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

(2) all regions of the United States, including at least one grant in each of the ten federal regions;

(3) urban, rural, and suburban educational institutions.

SEC. 5304. RESEARCH AND DEVELOPMENT GRANTS.

(a) AUTHORITY.—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including students, and community groups, for activities designed to achieve the purpose of this part at all levels of education, including preschool, elementary and secondary education, higher education, adult education and vocational-technical education; to develop model policies and programs, and to conduct research to address and ensure educational equities for women and girls, including but not limited to—

(1) the development and evaluation of gender-equitable curricula, textbooks, software, and other educational material and technology;

(2) the development of model preservice and inservice training programs for educational personnel with special emphasis on programs and activities designed to provide educational equity;

(3) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity;

(4) the development and evaluation of nondiscriminatory assessment systems;

(5) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

(6) the development and improvement of programs and activities to increase opportunity for women, including continuing educational activities, vocational education, and programs for low income women; including underemployed and unemployed women, and women receiving Aid to Families with Dependent Children.

(7) the development of instruments and strategies for program evaluation and dissemination of promising or exemplary programs designed to improve local efforts to achieve gender equity;

(8) the development of instruments and procedures to assess the presence or absence of gender equity in educational settings;

(9) the development and evaluation of various strategies to institutionalize gender equity in education.

(b) APPLICATION.—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

(2) describe a plan for carrying out 1 or more research and development activities authorized in paragraph (a) above, which holds promise of making a substantial contribution toward attaining the purposes of this act; and

(3) set forth policies and procedures which insure adequate documentation, data collection, and evaluation of the activities intended to be carried out under the application, including an evaluation or estimate of the potential for continued significance following completion of the grant period.

(c) CRITERIA AND PRIORITIES.—(1) The Secretary shall establish criteria and priorities to ensure that available funds are used for programs that most effectively will achieve the purposes of this part.

(2) The criteria and priorities shall be promulgated in accordance with section 431 of the General Education Provisions Act.

(3) In establishing priorities the Secretary shall establish no more than 4 priorities, 1 of which shall be programs which address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.

(d) SPECIAL RULE.—The Secretary shall ensure that the total of grants awarded each year address—

(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

(2) all regions of the United States;

(d) COORDINATION.—Research activities supported under this part—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

(2) may include collaborative research activities which are jointly funded and carried out by the Office of Women's Equity and the Office of Educational Research and Improvement.

(f) LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted under this part.

SEC. 5305. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated—

(1) for the purpose of carrying out the provisions of section 5303, there are authorized to be appropriated $3,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999; and

(2) for the purpose of carrying out the provisions of section 5304, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

TITLE VI—INDIAN EDUCATION

SEC. 6001. FINDINGS.

The Congress finds that—

(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

(A) are based on high-quality, internationally competitive content and student performance standards and build on Indian culture and the Indian community;

(B) assist local educational agencies, Indian tribes, and others in providing Indian students the opportunity to achieve those standards; and

(C) meet the special educational and culturally related academic needs of American Indian and Alaska Native students;

(2) since enactment of the original Indian Education Act in 1972, Indian parents have become significantly more involved in the planning, development, and implementation of educational programs that affect them and their children, and schools should continue to foster such involvement;

(3) although the numbers of Indian teachers, administrators, and university professors have increased since 1972, teacher training programs are not recruiting, training, or retraining sufficient numbers of Indian persons as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

(4) the dropout rate for Indian students is unacceptably high; for example, nine percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

(5) from 1980 to 1990, the percentage of Indian persons living in poverty increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and families; and

(6) research related specifically to the education of Indian children and adults is very limited, and much of it is poor in quality or focused on limited local or regional issues.

SEC. 6002. PURPOSE.

(a) PURPOSE.—It is the purpose of this title to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the special edu-

cational and culturally related academic needs of American Indians and Alaska Natives, so that they can achieve to the same challenging State performance standards expected of all students.

(b) PROGRAMS AUTHORIZED.—This title carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

(1) meeting the special educational and culturally related academic needs of American Indians and Alaska Natives;

(2) the education of Indian children and adults;

(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

(4) research, evaluation, data collection, and technical assistance.

PART A—FORMULA GRANTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 6101. PURPOSE.

It is the purpose of this part to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that such programs—

(1) are based on challenging State content and student performance standards that are used for all students; and

(2) are designed to assist Indian students meet those standards and assist the Nation in reaching the National Education Goals.

SEC. 6102. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

A local educational agency is eligible for a grant under this part for any fiscal year if the number of Indian children who were enrolled in the schools of the agency, and to whom the agency provided free public education, during the preceding fiscal year—

(1) was at least 20; or

(2) constituted not less than 25 percent of the agency's total enrollment.

SEC. 6103. AMOUNT OF GRANTS.

(a) AMOUNT OF GRANTS.—(1) The Secretary is authorized to allocate to each local educational agency which has an approved application under this part an amount equal to the product of—

(A) the number of Indian children described in section 6106; and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which the agency is located; or

(ii) 80 percent of the average per-pupil expenditure in the United States.

(2) The Secretary shall reduce the amount of each allocation determined under paragraph (1) in accordance with subsection (e) of this section.

(b) MINIMUM GRANT AMOUNT.—The Secretary shall not make a grant to a local educational agency if the amount determined under subsection (a) is less than $4,000, except that the Secretary may make a grant to a consortium of local educational agencies, one or more of which does not qualify for such a minimum award, if—

(1) the total amount so determined for such agencies is not less than $4,000;

(2) such agencies, in the aggregate, meet the eligibility requirement of either section 6102(1) or 6102(2); and

(3) the Secretary determines that such a grant would be effectively used to carry out the purpose of this part.

(c) DEFINITION.—For the purpose of this section, the average per-pupil expenditure of a State is determined by dividing—

(1) the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; by

(2) the aggregate number of children who were in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—(1) In addition to the grants determined under subsection (a), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

(A) the total number of Indian children enrolled in schools that are operated by—

(i) the Bureau of Indian Affairs; or

(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of that tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act (25 U.S.C. 450f et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.); and

(B) the greater of—

(i) the average per-pupil expenditure of the State in which the school is located; or

(ii) 80 percent of the average per-pupil expenditure in the United States.

(2) The Secretary shall transfer the amount determined under paragraph (1), reduced as may be necessary under subsection (e), to the Secretary of the Interior in accordance with, and subject to, section 9205 of this Act.

(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 6602(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

SEC. 6104. APPLICATIONS.

(a) GENERAL.—Any local educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) COMPREHENSIVE PROGRAM REQUIRED.—Each such application shall include a comprehensive program for meeting the needs of Indian children in the local educational agency, including their language and cultural needs, that—

(1) provides programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students,

(2)(A) is consistent with, and promotes the goals in, the State and local plans, either approved or being developed, under title III of the Goals 2000: Educate America Act or, if such plans are not approved or being developed, with the State and local plans under sections 1111 and 1112 of this Act; and

(B) includes academic content and student performance goals for such children, and benchmarks for attaining them, that are based on the challenging State standards adopted under title III of the Goals 2000: Educate America Act or under title I of this Act for all children;

(3) explains how Federal, State, and local programs, especially under title I of this Act, will meet the needs of such students;

(4) demonstrates how funds under this part will be used for activities authorized by section 6105;

(5) describes the professional development to be provided, as needed, to ensure that—

(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

(B) all teachers who will be involved in the project have been properly trained to carry it out; and

(6) describes how the agency—

(A) will periodically assess the progress of all Indian children in its schools, including Indian children who do not participate in programs under this part, in meeting the goals described in paragraph (2);

(B) will provide the results of that assessment to the parent committee described in subsection (c)(6) and to the community served by the agency; and

(C) is responding to findings of any previous such assessments.

(c) ASSURANCES.—Each such application shall also include assurances that—

(1) the local educational agency will use funds received under this part only to supplement the level of funds that, in the absence of such Federal funds, the agency would make available for the education of Indian children, and not to supplant such funds;

(2) the local educational agency will submit such reports to the Secretary, in such form and containing such information, as the Secretary may require to—

(A) carry out the Secretary's functions under this part; and

(B) determine the extent to which funds provided under this part have been effective in improving the educational achievement of Indian students in the local educational agency;

(3) the program for which assistance is sought has been based upon a local assessment and prioritization of the special educational and culturally related academic needs of the American

Indian and Alaska Native students for which the local educational agency is providing an education;

(4) the program for which assistance is sought will use the best available talents and resources, including persons from the Indian community;

(5) the local educational agency has developed the program in open consultation with parents of Indian children, teachers, and, where appropriate, secondary school Indian students, including holding public hearings at which such persons have had a full opportunity to understand the program and to offer recommendations regarding such program;

(6) the local educational agency has developed the program with the participation and written approval of a committee—

(A) that is composed of, and selected by, parents of Indian children in the local educational agency's schools, teachers, and, where appropriate, secondary school Indian students and of which at least half the members are such parent;

(B) that sets forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children and representatives of the area to be served; and

(C) that, in the case of an application which includes a schoolwide project (as specified in section 6105(c) of this part) finds that such project will not diminish the availability of culturally related activities for American Indians and Alaskan Native students; and

(D) that adopts and abides by reasonable bylaws for the conduct of the activities of the committee.

(d) STATE EDUCATIONAL AGENCY REVIEW.—(1) Before submitting its application to the Secretary, the local educational agency shall obtain comments on the application from the State educational agency.

(2) The local educational agency shall send the State educational agency's comments to the Secretary with its application.

SEC. 6105. AUTHORIZED SERVICES AND ACTIVITIES.

(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this part shall use the grant funds for services and activities, consistent with the purpose of this part, that—

(1) are designed to carry out its comprehensive plan for Indian students, described in its application under section 6104(b);

(2) are designed with special regard for the language and cultural needs of those students; and

(3) supplement and enrich the regular school program.

(b) PARTICULAR ACTIVITIES.—Such services and activities include—

(1) culturally related activities which support the program set out in the application, as required in section 6104;

(2) early childhood and family programs that emphasize school readiness;

(3) enrichment programs that focus on problem-solving and cognitive skills development and that directly support the attainment of challenging State content and student performance standards;

(4) integrated educational services in combination with other programs meeting similar needs;

(5) school-to-work transition activities to enable Indian students to participate in programs such as those supported by the School-to-Work Opportunities Act of 1993 and the Carl D. Perkins Vocational and Applied Technology Education Act, including tech-prep, mentoring, and apprenticeship programs;

(6) prevention of, and education about, substance abuse; and

(7) acquisition of equipment, but only if such acquisition is essential to meet the purpose of this part.

(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of this part, a local educational agency may use funds it receives under this part to support a schoolwide program under section 1114 of title I of this Act, in accordance with such section, if the Secretary determines that the local educational agency has made adequate provision for the participation of Indian children in such project and the involvement of Indian parents in the formulation of such project.

SEC. 6106. STUDENT ELIGIBILITY FORMS.

(a) The Secretary shall require that each application for a grant under this subpart for each fiscal year be supported by a form, maintained in the files of the applicant, for each eligible Indian child for whom the local educational agency is providing free public education that sets forth information establishing the status of the child as an eligible Indian child.

(b) The Secretary shall request on the form required under subsection (a) at least the following information:

(1) either—

(A) the name of the tribe, band, or other organized group of Indians with which the child claims membership, along with the enrollment number establishing membership (if readily available), and the name and address of the organization which has updated and accurate membership data for such tribe, band, or other organized group of Indians, or

(B) if the child is not a member of a tribe, band, or other organized group of Indians, the name, the enrollment number (if readily available), and the organization (and address thereof) responsible for maintaining updated and accurate membership rolls of any of the child's parents or grandparents, from whom the child claims eligibility;

(2) whether the tribe, band, or other organized group of Indians with which the child, his parents, or grandparents claim membership is federally recognized;

(3) the name and address of the parent or legal guardian;

(4) the signature of the parent or legal guardian verifying the accuracy of the information supplied; and

(5) any other information which the Secretary deems necessary to provide an accurate program profile.

(c) Nothing in the requirements of subsection (b) may be construed as affecting the definition set forth in section 6601. In order for a child to be counted in computing the local educational agency's grant award, the eligibility form for the child must contain at a minimum—

(1) the child's name;

(2) the name of the tribe, band, or other organized group of Indians; and

(3) the parent's dated signature.

The failure of an applicant to furnish any other information listed in subsection (b) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child.

(d) The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–1986 academic year to establish a child's eligibility for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the only forms and standards of proof used to establish such eligibility and to meet the requirements of subsection (a).

(e) For purposes of determining whether a child is an eligible Indian child, the membership of the child, or any parent or grandparent of the child, in a tribe, band, or other organized group of Indians may be established by proof other than an enrollment number, even if enrollment numbers for members of such tribe, band, or groups are available. Nothing in subsection (b) may be construed as requiring the furnishing of enrollment numbers.

(f)(1)(A) The Secretary shall establish a method of auditing, on an annual basis, a sample of not less than one-fourth of the total number of local educational agencies receiving funds under this part and shall submit to the Congress an annual report on the findings of the audits.

(B) For purposes of an audit conducted by the Federal Government with respect to funds provided under this part, all procedures, practices, and policies that are established by—

(i) the Office of Indian Education of the Department of Education, or

(ii) a grantee under this subpart who, in establishing such procedures, practices, and policies, was acting under the direction of any employee of such Office that is authorized by the Director of such Office to provide such direction,

shall, with respect to the period beginning on the date of the establishment of such procedures, practices, and policies, and ending on the date (if any) on which the Director of such Office revokes authorization for such procedures, practices, and policies, be considered appropriate and acceptable procedures, practices, and policies which are in conformity with Federal law.

(C) A local educational agency may not be held liable to the United States, or be otherwise penalized, by reason of the findings of an audit that relate to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, a child's eligibility for entitlement under the Indian Elementary and Secondary School Assistance Act.

(2) Any local educational agency that provides false information in the application for a grant under this subpart shall be ineligible to apply for any other grants under this part and shall be liable to

the United States for any funds provided under this part that have not been expended.

(3) Any student who provides false information on the form required under subsection (d)(1) may not be taken into account in determining the amount of any grant under this part.

(g) For purposes of distribution of funds under this Act to schools funded by the Bureau of Indian Affairs, the Secretary shall use the count of the number of students in each such school funded under the Indian Student Equalization Formula developed pursuant to section 1128 of Public Law 95–561, in lieu of the requirements of this section.

SEC. 6107. PAYMENTS.

(a) GENERAL.—The Secretary shall pay each local educational agency with an application approved under this part the amount determined under section 6103, subject to subsections (b) and (c) of this section and shall notify such local educational agency of the amount no later than June 1 of the year in which the grant will be paid.

(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary shall not make a grant under this part for any fiscal year to any local educational agency in a State that has taken into consideration payments under this part (or under subpart 1 of the Indian Education Act of 1988) in determining the eligibility of the local educational agency for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—(1) The Secretary shall not pay any local educational agency the full amount determined under section 6103 for any fiscal year unless the State educational agency notifies the Secretary, and the Secretary determines, that the combined fiscal effort of that local agency and the State with respect to the provision of free public education by such local agency for the preceding fiscal year, computed on either a per-student or aggregate expenditure basis, was not less than 90 percent of such combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

(2) If the Secretary determines for any fiscal year that a local educational agency failed to maintain its fiscal effort at the 90 percent level required by paragraph (1), the Secretary shall—

(A) reduce the amount of the grant that would otherwise be made to the agency under this part in the exact proportion of such agency's failure to maintain its fiscal effort at such level; and

(B) not use the reduced amount of the agency's expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

(3)(A) The Secretary may waive the requirement of paragraph (1), for not more than one year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

(B) The Secretary shall not use the reduced amount of such agency's expenditures for the fiscal year preceding the fiscal year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

(d) REALLOCATIONS.—The Secretary may reallocate, in the manner the Secretary determines will best carry out the purpose of this part, any amounts that—

(1) based on estimates by local educational agencies or other information, will not be needed by such agencies to carry out their approved projects under this part; or

(2) otherwise become available for reallocation under this part.

PART B—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

SEC. 6201. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

(a) IN GENERAL.—The Secretary shall carry out a program of making grants for the improvement of educational opportunities for Indian children—

(1) to support planning, pilot, and demonstration projects, in accordance with subsection (b), which are designed to test and demonstrate the effectiveness of programs for improving educational opportunities for Indian children;

(2) to assist in the establishment and operation of programs, in accordance with subsection (c), which are designed to stimulate—

(A) the provision of educational services not available to Indian children in sufficient quantity or quality, and

(B) the development and establishment of exemplary educational programs to serve as models for regular school programs in which Indian children are educated;

(3) to assist in the establishment and operation of preservice and inservice training programs, in accordance with subsection (d), for persons serving Indian children as educational personnel; and

(4) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian children.

(b) DEMONSTRATION PROJECTS.—The Secretary is authorized to make grants to State and local educational agencies, federally supported elementary and secondary schools for Indian children and to Indian tribes, Indian organizations, and Indian institutions to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for improving educational opportunities for Indian children, including—

(1) innovative programs related to the educational needs of educationally deprived children;

(2) bilingual and bicultural education programs and projects;

(3) special health and nutrition services and other related activities which meet the special health, social, and psychological problems of Indian children; and

(4) coordination of the operation of other federally assisted programs which may be used to assist in meeting the needs of such children.

(c) SERVICES AND PROGRAMS TO IMPROVE EDUCATIONAL OPPORTUNITIES.—

(1) The Secretary is authorized to make grants to State and local educational agencies and to tribal and other Indian community organizations to assist them in developing and establishing educational services and programs specifically designed to improve educational opportunities for Indian children. Such grants may be used—

(A) to provide educational services not available to such children in sufficient quantity or quality, including—

(i) remedial and compensatory instruction, school health, physical education, psychological, and other services designed to assist and encourage Indian children to enter, remain in, or reenter elementary or secondary school;

(ii) comprehensive academic and vocational instruction;

(iii) instructional materials (such as library books, textbooks, and other printed, published, or audiovisual materials) and equipment;

(iv) comprehensive guidance, counseling, mentoring, and testing services;

(v) special education programs for disabled and gifted and talented Indian children;

(vi) early childhood programs, including kindergarten;

(vii) bilingual and bicultural education programs; and

(viii) other services which meet the purposes of this subsection; and

(B) to establish and operate exemplary and innovative educational programs and centers, involving new educational approaches, methods, and techniques designed to enrich programs of elementary and secondary education for Indian children.

(2) In addition to the grants provided under paragraph (1), the Secretary is authorized to provide grants to consortia of Indian tribes or tribal organizations, local educational agencies, and institutions of higher education for the purpose of developing, improving, and implementing a program of—

(A) encouraging Indian students to acquire a higher education, and

(B) reducing the incidence of dropouts among elementary and secondary school students.

(d) TRAINING.—

(1) The Secretary is authorized to make grants to institutions of higher education and to State and local educational agencies,

in combination with institutions of higher education, for carrying out programs and projects—

(A) to prepare persons to serve Indian students as teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

(B) to improve the qualifications of such persons who are serving Indian students in such capacities.

(2) Grants made under this subsection may be used for the establishment of fellowship programs leading to an advanced degree, for institutes and, as part of a continuing program. for seminars, symposia, workshops, and conferences.

(3) In programs funded by grants authorized under this subsection, preference shall be given to the training of Indians.

(4) In making grants under this subsection, the Secretary shall consider prior performance and may not limit eligibility on the basis of the number of previous grants or the length of time for which the applicant has received grants.

(d) APPLICATIONS FOR GRANTS.—

(1) Applications for a grant under this section shall be submitted at such time, in such manner, and shall contain such information, and shall be consistent with such criteria, as may be required under regulations prescribed by the Secretary. Such applications shall—

(A) set forth a statement describing the activities for which assistance is sought;

(B) in the case of an application for a grant under subsection (c)—

(i) subject to such criteria as the Secretary shall prescribe, provide for—

(I) the use of funds available under this section, and

(II) the coordination of other resources available to the applicant,

in order to ensure that, within the scope of the purpose of the project, there will be a comprehensive program to achieve the purposes of this section, and

(ii) provide for the training of personnel participating in the project; and

(C) provide for an evaluation of the effectiveness of the project in achieving its purpose and the purposes of this section.

(2)(A) The Secretary may approve an application for a grant under subsection (b) or (c) only if the Secretary is satisfied that such application, and any document submitted with respect thereto—

(i) demonstrate that—

(I) there has been adequate participation by the parents of the children to be served and tribal communities in the planning and development of the project, and

(II) there will be such participation in the operation and evaluation of the project, and

(ii) provide for the participation, on an equitable basis, of eligible Indian children—

(I) who reside in the area to be served,

(II) who are enrolled in private nonprofit elementary and secondary schools, and

(III) whose needs are of the type which the program is intended to meet,

to the extent consistent with the number of such children.

(B) In approving applications under this section, the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

SEC. 6202. SPECIAL EDUCATIONAL TRAINING PROGRAMS FOR THE TEACHERS OF INDIAN CHILDREN.

(a) IN GENERAL.—

(1) The Secretary is authorized to make grants to, and enter into contracts with, institutions of higher education, Indian organizations, and Indian tribes for the purpose of—

(A) preparing individuals for teaching or administering special programs and projects designed to meet the special educational needs of Indian people, and

(B) providing in-service training for persons teaching in such programs.

(2) Priority shall be given in the awarding of grants, and in the entering into of contracts, under subsection (a) to Indian institutions and organizations.

(b) FELLOWSHIPS AND TRAINEESHIPS.—

(1) In carrying out the provisions of this section, the Secretary is authorized to award fellowships and traineeships to individuals and to make grants to, and to enter into contracts with, institutions of higher education, Indian organizations, and Indian tribes for the costs of education allowances.

(2) In awarding fellowships and traineeships under this subsection, the Secretary shall give preference to Indians.

(3) In the case of traineeships and fellowships, the Secretary is authorized to grant stipends to, and allowances for dependents of, persons receiving traineeships and fellowships.

SEC. 6203. FELLOWSHIPS FOR INDIAN STUDENTS.

(a) IN GENERAL.—During each fiscal year ending prior to October 1, 1999, the Secretary is authorized to award fellowships to be used for study in graduate and professional programs at institutions of higher education. Such fellowships shall be awarded to Indian students in order to enable them to pursue a course of study of not more than 4 academic years leading toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, and related fields or leading to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.

(b) STIPENDS.—The Secretary shall pay to persons awarded fellowships under subsection (a) such stipends (including such allowances for subsistence of such persons and their dependents) the Secretary may determine to be consistent with prevailing practices under comparable federally supported programs.

(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which the holder of a fellowship awarded under subsection (a) is pursuing a

course of study, in lieu of tuition charged such holder, such amounts as the Secretary may determine to be necessary to cover the cost of education provided the holder of such a fellowship.

(d) SPECIAL RULES.—

(1) The Secretary may, if a fellowship awarded under subsection (a) is vacated prior to the end of the period for which it was awarded, award an additional fellowship for the remainder of such period.

(2) By no later than the date that is 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of the amount of such fellowship and of any stipends or other payments that will be made under this section to, or for the benefit of, such individual for such academic term.

(3) Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

(e) SERVICE OBLIGATION.—The Secretary shall, by regulation, require that individuals who receive training under this section perform related work and shall notify such local educational agency of the amount no later than June 1 of the year in which the grant will be paid following that training or repay all or part of the cost of the training.

SEC. 6204. GIFTED AND TALENTED.

(a) ESTABLISHMENT OF CENTERS.—The Secretary shall establish 2 centers for gifted and talented Indian students at tribally controlled community colleges.

(b) DEMONSTRATION PROJECTS.—

(1) The Secretary shall award separate grants to, or enter into contracts with—

(A) 2 tribally controlled community colleges that—

(i) are eligible for funding under the Tribally Controlled Community College Assistance Act of 1978, and

(ii) are fully accredited, or

(B) if acceptable applications are not submitted to the Secretary by 2 of such colleges, the American Indian Higher Education Consortium,

for the establishment of centers under subsection (a) and for demonstration projects designed to address the special needs of Indian students in elementary and secondary schools who are gifted and talented and to provide such support services to their families that are needed to enable the students to benefit from the project.

(2) Any person to whom a grant is made, or with whom a contract is entered into, under paragraph (1) may enter into a contract with any other persons, including the Children's Television Workshop, for the purpose of carrying out the demonstration projects for which such grant was awarded or for which the contract was entered into by the Secretary.

(3) Demonstration projects funded under this section may include—

(A) the identification of the special needs of gifted and talented students, particularly at the elementary school level, with attention to the emotional and psychosocial needs of these students and to the provision of those support services to their families that are needed to enable these students to benefit from the project;

(B) the conduct of educational, psychosocial, and developmental activities which hold reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including, but not limited to, demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions, and mentoring and apprenticeship programs;

(C) the provision of technical assistance and the coordination of activities at schools which receive grants under subsection (c) with respect to the activities funded by such grants, the evaluation of programs at such schools funded by such grants, or the dissemination of such evaluations;

(D) the use of public television in meeting the special educational needs of such gifted and talented children;

(E) leadership programs designed to replicate programs for such children throughout the United States, including the dissemination of information derived from the demonstration projects conducted under this section; and

(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to their families that are needed to enable such children to benefit from the project.

(c) ADDITIONAL GRANTS.—

(1) The Secretary, in consultation with the Secretary of the Interior, shall provide 5 grants to schools that are Bureau funded schools for program research and development regarding, and the development and dissemination of curriculum and teacher training material regarding—

(A) gifted and talented students,

(B) college preparatory studies (including programs for Indian students interested in teaching careers),

(C) students with special culturally related academic needs, including social, lingual, and cultural needs, and

(D) math and science education.

(2) Applications for the grants provided under paragraph (1) shall be submitted to the Secretary in such form and at such time as the Secretary may prescribe. Applications for such grants by Bureau schools, and the administration of any of such grants made to a Bureau school, shall be undertaken jointly by the supervisor of the Bureau school and the local school board.

(3) Grants may be provided under paragraph (1) for one or more activities described in paragraph (1).

(4) In providing grants under paragraph (1), the Secretary shall—

(A) achieve a mixture of programs described in paragraph (1) which ensures that students at all grade levels and in all geographic areas of the United States are able

to participate in some programs funded by grants provided under this subsection, and

(B) ensure that a definition of the term "gifted and talented student" for purposes of this section and section 1128(c)(3)(A)(i) of the Education Amendments of 1978 is developed as soon as possible.

(5) Subject to the availability of appropriated funds, grants provided under paragraph (1) shall be made for a 3-year period and may be renewed by the Secretary for additional 3-year periods if performance by the grantee is satisfactory to the Secretary.

(6)(A) The dissemination of any materials developed from activities funded by grants provided under paragraph (1) shall be carried out in cooperation with institutions receiving funds under subsection (b).

(B) The Secretary shall report to the Secretary of the Interior and to the Congress any results from activities described in paragraph (4)(B).

(7)(A) The costs of evaluating any activities funded by grants made under paragraph (1) shall be divided between the school conducting such activities and the demonstration project recipients under subsection (b).

(B) If no funds are provided under subsection (b) for—

(i) the evaluation of activities funded by grants made under paragraph (1),

(ii) technical assistance and coordination with respect to such activities, or

(iii) dissemination of such evaluations,

the Secretary shall, by grant or through contract, provide for such evaluations, technical assistance, coordination, and dissemination.

(d) INFORMATION NETWORK.—The Secretary shall encourage persons to whom a grant is made, or with whom a contract is entered into, under this section to work cooperatively as a national network so that the information developed by such persons is readily available to the entire educational community.

SEC. 6205. TRIBALLY CONTROLLED SCHOOLS ACT.

(a) TIMELY PAYMENTS.—Subsection (a) is amended to read as follows:

"(a)(1) Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in 2 payments:

"(A) one payment to be made no later than July 1 of each year in an amount equal to one-half of the amount which the grantee was entitled to receive during the preceding academic year, and

"(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made no later than December 1 of each year.

"(2) For any school for which no payment was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made no later than December 1 of the academic year.

"(3) With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which they are appropriated, the Secretary shall make payments to grantees no later than December 1 of the fiscal year.

"(4) The provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.) shall apply to the payments required to be made by paragraphs (1), (2), and (3) of this subsection.".

(b) Paragraph (3) is amended by striking "Paragraphs (1) and (2)" and inserting in lieu thereof "Paragraphs (1), (2), and (3)", and is renumbered as paragraph "(5)".

PART C—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS

SEC. 6301. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

(a) In General.—The Secretary shall carry out a program of awarding grants to State and local educational agencies and to Indian tribes, institutions, and organizations—

(1) to support planning, pilot, and demonstration projects which are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

(2) to assist in the establishment and operation of programs which are designed to stimulate—

(A) the provision of basic literacy opportunities to all nonliterate Indian adults, and

(B) the provision of opportunities to all Indian adults to qualify for a high school equivalency certificate in the shortest period of time feasible;

(3) to support a major research and development program to develop more innovative and effective techniques for achieving the literacy and high school equivalency goals;

(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of high school completion among Indians; and

(5) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian adults.

(b) Educational Services.—The Secretary is authorized to make grants to Indian tribes, Indian institutions, and Indian organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

(c) Information and Evaluation.—The Secretary is also authorized to make grants to, and to enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations for—

(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations thereof; and

(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of

such programs in achieving the purposes of such programs with respect to such adults.

(d) APPLICATIONS.—

(1) Applications for a grant under this section shall be submitted at such time, in such manner, contain such information, and be consistent with such criteria, as may be required under regulations prescribed by the Secretary. Such applications shall—

(A) set forth a statement describing the activities for which assistance is sought; and

(B) provide for an evaluation of the effectiveness of the project in achieving its purposes and the purposes of this section.

(2) The Secretary shall not approve an application for a grant under subsection (a) unless the Secretary is satisfied that such application, and any documents submitted with respect thereto, indicate that—

(A) there has been adequate participation by the individuals to be served and tribal communities in the planning and development of the project, and

(B) there will be such a participation in the operation and evaluation of the project.

(3) In approving applications under subsection (a), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

PART D—NATIONAL ACTIVITIES AND GRANTS TO STATES

SEC. 6401. NATIONAL ACTIVITIES.

(a) AUTHORIZED ACTIVITIES.—From funds appropriated for any fiscal year to carry out this section, the Secretary may—

(1) conduct research related to effective approaches to the education of Indian children and adults;

(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

(3) collect and analyze data on the educational status and needs of Indians; and

(4) carry out other activities consistent with the purpose of this Act.

(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with, Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

(c) COORDINATION.—Research activities supported under this section—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to assure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

(2) may include collaborative research activities which are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

SEC. 6402. STATE EDUCATIONAL AGENCY REVIEW.

(a) Before submitting its application to the Secretary, the local educational agency shall submit its application to the State educational agency.

(b) The State education agency may send to the Secretary comments on each local educational agency application it reviews. The Secretary shall take such comments into consideration in reviewing such application.

PART E—FEDERAL ADMINISTRATION

SEC. 6501. OFFICE OF INDIAN EDUCATION.

(a) OFFICE OF INDIAN EDUCATION.—There shall be an Office of Indian Education (referred to in this section as the "Office") in the Department of Education.

(b) DIRECTOR.—(1) The Office shall be under the direction of the Director, who shall be appointed by the Secretary and who shall report directly to the Assistant Secretary for Elementary and Secondary Education.

(2) The Director shall—

(A) be responsible for administering this title;

(B) be involved in, and be primarily responsible for, the development of all policies affecting Indian children and adults under programs administered by the Office of Elementary and Secondary Education;

(C) coordinate the development of policy and practice for all programs in the Department relating to Indian persons; and

(D) assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to the education of Indian persons.

(3) The Director of the Office shall be a member of the career Senior Executive Service.

(c) INDIAN PREFERENCE IN EMPLOYMENT.—(1) The Secretary shall give a preference to Indian persons in all personnel actions in the Office.

(2) Such preference shall be implemented in the same fashion as the preference given to any veteran under section 2609 of the Revised Statutes, section 45 of title 25, United States Code.

SEC. 6502. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

(a) MEMBERSHIP.—There shall be a National Advisory Council on Indian Education (referred to in this section as the Council), which shall—

(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations; and

(2) represent different geographic areas of the country.

(b) DUTIES.—The Council shall—

(1) advise the Secretary on the funding and administration, including the development of regulations and of administrative

policies and practices, of any program, including programs under this title, for which the Secretary is responsible and in which Indian children or adults participate or from which they can benefit;

(2) make recommendations to the Secretary for filling the Director's position whenever a vacancy occurs in such position; and

(3) submit to the Congress, by June 30 of each year, a report on its activities, which shall include—

(A) any recommendations it finds appropriate for the improvement of Federal education programs in which Indian children or adults participate, or from which they can benefit; and

(B) its recommendations with respect to the funding of any such programs.

SEC. 6503. PEER REVIEW.

In reviewing applications under parts B, C, and D of this title, the Secretary may use a peer review process.

SEC. 6504. PREFERENCE FOR INDIAN APPLICANTS.

In making grants under parts B and C of this title, the Secretary shall give a preference to Indian tribes, Indian organizations, and Indian institutions of higher education under any program for which they are eligible to apply.

SEC. 6505. MINIMUM GRANT CRITERIA.

In making grants under parts B and C of this title, the Secretary shall approve only projects that are—

(1) of sufficient size, scope, and quality to achieve the purpose of the section under which assistance is sought; and

(2) based on relevant research findings.

PART F—DEFINITIONS; AUTHORIZATIONS OF APPROPRIATIONS

SEC. 6601. DEFINITIONS.

The following definitions apply to terms as used in this title:

(1) The term "adult" means an individual who is either—

(A) not less than 16 years old; or

(B) beyond the age of compulsory school attendance under State law.

(2) The term "adult education" has the meaning given such term in section 312(2) of the Adult Education Act.

(3) The term "free public education" means education that is—

(A) provided at public expense, under public supervision and direction, and without tuition charge; and

(B) provided as elementary or secondary education in the applicable State or to preschool children.

(4) The term "Indian" means an individual who is—

(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

(i) tribes and bands terminated since 1940; and

(ii) tribes and bands recognized by the State in which they reside;

(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

(C) considered by the Secretary of the Interior to be an Indian for any purpose; or

(D) an Eskimo, Aleut, or other Alaska Native.

SEC. 6602. AUTHORIZATIONS OF APPROPRIATIONS.

(a) PART A.—For the purpose of carrying out part A of this title, there are authorized to be appropriated $61,300,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(b) PARTS B THROUGH D.—For the purpose of carrying out parts B, C, and D of this title, there are authorized to be appropriated $20,925,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(c) PART E.—For the purpose of carrying out part E of this title, including section 6502, there are authorized to be appropriated $3,775,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

PART G—BUREAU OF INDIAN AFFAIRS PROGRAMS

SEC. 6701. STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS.

(a) The purpose of the standards developed under this section shall be to afford Indian students being served by a Bureau funded school with the same opportunities as all other students to achieve the high goals embodied in the Goals 2000: Educate America Act. Consistent with the provisions of this section and section 6711 of this part, the Secretary shall take such actions as are necessary to coordinate standards developed and implemented under this section with those in the State plans developed and implemented pursuant to the GOALS 2000 Educate America Act for the States in which each Bureau funded school operates. In developing and reviewing these standards and such coordination, the Secretary shall utilize the findings and recommendations of the panel established by the Goals 2000: Educate America Act

(b) The Secretary, in consultation with the Secretary of Education, and in consultation with Indian organizations and tribes, shall carry out or cause to be carried out by contract with an Indian organization such studies and surveys, making the fullest use possible of other existing studies, surveys, and plans, as are necessary to establish and revise standards for the basic education of Indian children attending Bureau funded schools. Such studies and surveys shall take into account factors such as academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal eductional opportunity for such children.

(c)(1) Within 18 months of the date of enactment of this Act, the Secretary shall revise the minimum academic standards published in the Federal Register of November 1983 for the basic education of Indian chlidren which are consistent with subsections (a) and (b) of

this section and section 6711, and shall distribute such revised standards in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within 21 months of the date of enactment of the Elementary and Secondary Education Act Amendments of 1993, the Secretary shall establish final standards, distribute such standards to all the tribes and publish such standards in the Federal Register. The Secretary shall revise such standards periodically as necessary. Prior to any revision of such standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

(2) Such standards shall apply to Bureau schools, and subject to subsection (f), to contract and grant schools, and may also serve as a model for educational programs for Indian children in public schools. In establishing and revising such standards, the Secretary shall take into account the special needs of Indian students and the support and reinforcement of the specific cultural heritage of each tribe. Such standards shall include a requirement, developed in coordination with Indian tribes, the affected local school boards, the Indian Health Service of the Department of Health and Human Services, the State health departments, and the Centers for Disease Control and Prevention, on immunization for childhood diseases, including provisions for in-school immunization, where necessary.

(d) The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (c), where necessary, so that the programs of each school shall be in compliance with the minimum standards required for accreditation of schools in the State where the school is located.

(e) A tribal governing body, or the local school board so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsections (c) and (d), where such standards are deemed by such body to be inappropriate or ill-conceived. The tribal governing body or designated school board shall, within 60 days thereafter, submit to the Secretary a proposal for alternative standards that takes into account the specific needs of the tribe's children. Such revised standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and unreviewable.

(f)(1) The Secretary, through contracting and grant-making procedures, shall assist school boards of contract and grant schools in the implementation of the standards established under subsection (c) and (d), if the school boards request that such standards, in part or in whole, be implemented. At the request of a contract or grant school board, the Secretary shall provide alternative or modified standards for the standards established under subsections (c) and (d) to take into account the needs of the Indian children and the contract or grant school.

(2) Within 1 year of the date of the enactment of the Indian Education Technical Amendments Act of 1985, the Bureau shall, either directly or through contract with an Indian organization, establish a consistent system of reporting standards for fiscal control and

fund accounting for all contract schools. Such standards shall yield data results comparable to those used by Bureau schools.

(g) Subject to subsections (e) and (f), the Secretary shall begin to implement the standards established under this section immediately upon the date of their establishment. No later than January 1, 1995, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all Bureau and contract and grant schools up to the level required by the applicable standards established under this section. Such plan shall include, but not be limited to, detailed information on the status of each school's educational program in relation to the applicable standards established under this section, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school up to the level required by such standards.

(h)(1) Except as specifically required by statute, no school or peripheral dormitory operated by the Bureau of Indian Affairs on or after January 1, 1992, may be closed or consolidated or have its program substantially curtailed unless done according to the requirements of this subsection, except that, in those cases where the tribal governing body, or the local school board concerned (if so designated by the tribal governing body), requests closure or consolidation, the requirements of this subsection shall not apply. The requirements of this subsection shall not apply when a temporary closure, consolidation, or substantial curtailment is required by plant conditions which constitute an immediate hazard to health and safety.

(2) The Secretary shall, by regulation, promulgate standards and procedures for the closing, consolidation, or substantial curtailment of Bureau schools in accordance with the requirements of this subsection.

(3) Whenever closure, transfer to any other authority, consolidation, or substantial curtailment of a school is under active consideration or review by any division of the Bureau or the Department of the Interior, the affected tribe, tribal governing body, and designated local school board, will be notified as soon as such consideration or review begins, kept fully and currently informed, and afforded an opportunity to comment with respect to such consideration or review. When a formal decision is made to close, transfer to any other authority, consolidate, or substantially curtail a school, the affected tribe, tribal governing body, and designated local school board shall be notified at least 6 months prior to the end of the school year preceding the proposed effective date. Copies of any such notices and information shall be transmitted promptly to the Congress and published in the Federal Register.

(4) The Secretary shall make a report to Congress, the affected tribe, and the designated local school board describing the process of the active consideration or review referred to in paragraph (3). At a minimum, the report shall include a study of the impact of such action on the student population, with every effort to identify those students with particular educational and social needs, and to insure that alternative services are available to such students. Such report shall include the description of the consultation conducted between

the potential service provider, current service provider, parents, tribal representative and the tribe or tribes involved, and the Director of the Office of Indian Education Programs within the Bureau regarding such students. No irreversible action may be taken in furtherance of any such proposed school closure, transfer to any other authority, consolidation, or substantial curtailment (including any action which would prejudice the personnel or programs of such school) until the end of the first full academic year after such report is made.

(5) The Secretary may terminate, contract, transfer to any other authority, or consolidate or substantially curtail the operation or facilities of—

(A) any Bureau funded school that is operated on or after April 1, 1987,

(B) any program of such a school that is operated on or after April 1, 1987, or

(C) any school board of a school operated under a grant under the Tribally Controlled Schools Act of 1988 (Public Law 100–297),

only if the tribal governing body approves such action.

(i) There are hereby authorized to be appropriated such sums as may be necessary, for academic program costs, in order to bring all Bureau and contract schools up to the level required by the applicable standards established under this section.

(j)(1) All schools funded by the Bureau of Indian Affairs shall include within their curriculum a program of instruction relating to alcohol and substance abuse prevention and treatment. The Assistant Secretary shall provide the technical assistance necessary to develop and implement such a program for students in kindergarten and grades 1 through 12, at the request of—

(A) any Bureau of Indian Affairs school (subject to the approval of the school board of such school);

(B) any school board of a school operating under a contract entered into under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.); or

(C) any school board of a school operating under a grant under the Tribally Controlled Schools Act of 1988 (Public Law 100–297).

(2) In schools operated directly by the Bureau of Indian Affairs, the Secretary shall provide for—

(A) accurate reporting of all incidents relating to alcohol and substance abuse; and

(B) individual student crisis intervention.

(3) The programs requested under paragraph (1) shall be developed in consultation with the Indian tribe that is to be served by such program and health personnel in the local community of such tribe.

(4) Schools requesting program assistance under this subsection are encouraged to involve family units and, where appropriate, tribal elders and Native healers in such instructions.

(k) For purposes of this section, the term tribal governing body means, with respect to any school, the tribal governing body, or tribal governing bodies, that represent at least 90 percent of the students served by such school.

(l)(1)(A) The Secretary shall only consider the factors described in subparagraphs (B) and (C) in reviewing—

(i) applications from any tribe for the awarding of a contract or grant for a school that is not a Bureau funded school,

(ii) applications from any tribe or school board of any Bureau funded school for—

(I) a school which is not a Bureau funded school; or

(II) the expansion of a Bureau funded school which would increase the amount of funds received by the Indian tribe or school board under section 6707.

The Secretary shall give consideration to all of such factors, but none of such applications may be denied based primarily upon the geographic proximity of public education.

(B) The Secretary shall consider the following factors relating to the program that is the subject of an application described in subparagraph (A):

(i) the adequacy of facilities or the potential to obtain or provide adequate facilities;

(ii) geographic and demographic factors in the affected areas;

(iii) adequacy of the applicant's program plans or, in the case of a Bureau funded school, of projected needs analysis done either by a tribe or by Bureau personnel;

(iv) geographic proximity of comparable public education; and

(v) the stated needs of all affected parties, including (but not limited to) students, families, tribal governments at both the central and local levels, and school organizations.

(C) The Secretary shall consider with respect to applications described in subparagraph (A) the following factors relating to all the educational services available at the time the application is considered:

(i) geographic and demographic factors in the affected areas;

(ii) adequacy and comparability of programs already available;

(iii) consistency of available programs with tribal educational codes or tribal legislation on education; and

(iv) the history and success of these services for the proposed population to be served, as determined from all factors and not just standardized examination performance.

(2)(A) The Secretary shall make a determination of whether to approve any application described in paragraph (1)(A) by no later than the date that is 180 days after the day on which such application is submitted to the Secretary.

(B) If the Secretary fails to make the determination described in subparagraph (A) with respect to an application by the date described in subparagraph (A), the application shall be treated as having been approved by the Secretary.

(3)(A) Any application described in paragraph (1)(A) may be submitted to the Secretary only if—

(i) the application has been approved by the tribal governing body of the students served by (or to be served by) the school or program that is the subject of the application, and

(ii) written evidence of such approval is submitted with the application.

(B) Each application described in paragraph (1)(A)—

(i) shall provide information concerning each of the factors described in paragraph (1)(B), and

(ii) may provide information concerning the factors described in paragraph (1)(C).

(4) Whenever the Secretary makes a determination to deny approval of any application described in paragraph (1)(A), the Secretary shall—

(A) state the objections in writing to the applicant by no later than the date that is 180 days after the day on which the application is submitted to the Secretary,

(B) provide assistance to the applicant to overcome stated objections, and

(C) provide the applicant a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objections raised by the Secretary.

(5)(A) Except as otherwise provided in this paragraph, the action which is the subject of any application described in paragraph (1)(A) that is approved by the Secretary shall become effective with the commencement of the academic year succeeding the fiscal year in which the application is approved, or at an earlier date determined by the Secretary.

(B) If an application is treated as having been approved by the Secretary by reason of paragraph (2)(B), the action that is the subject of the application shall become effective on the date that is 18 months after the date on which the application is submitted to the Secretary, or at an earlier date determined by the Secretary.

SEC. 6702. NATIONAL CRITERIA FOR DORMITORY SITUATIONS.

(a) The Secretary, in consultation with the Secretary of the Department of Education, and in consultation with Indian organizations and tribes, shall conduct or cause to be conducted by contract with an Indian organization, a study of the costs applicable to boarding arrangements for Indian students provided in Bureau and contract and grant schools, for the purpose of establishing national criteria for such dormitory situations. Such criteria shall include adult-child ratios, needs for counselors (including special needs related to off-reservation boarding arrangements), space, and privacy.

(b) No later than January 1, 1996, the Secretary shall propose such criteria, and shall distribute such proposed criteria to the tribes and publish such proposed criteria in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. Within eighteen months of the date of the enactment of this Act, the Secretary shall establish final criteria, distribute such criteria to all the tribes, and publish such criteria in the Federal Register. The Secretary shall revise such criteria periodically as necessary. Any revisions to the standards established under this section shall be developed subject to requirements established under section 6711.

(c) The Secretary shall begin to implement the criteria established under this section immediately upon the date of their establishment. No later than January 1, 1981, and at each time thereafter that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Con-

gress a detailed plan to bring all Bureau and contract boarding schools up to the criteria established under this section. Such plan shall include, but not be limited to, predictions for the relative need for each boarding school in the future, detailed information on the status of each school in relation to the criteria established under this section, specific cost estimates for meeting such criteria at each school, and specific time lines for bringing each school up to the level required by such criteria.

(d)(1) The criteria established under this section may be waived in the same manner as the standards provided under section 6701(c) may be waived under section 6701(e).

(2) No school in operation on or before January 1, 1987 (regardless of compliance or noncompliance with the criteria established under this section) may be closed, transferred to another authority, consolidated or have its program substantially curtailed for failure to meet the criteria.

(3) By no later than May 1, 1996, the Secretary shall submit to the Congress a report detailing the costs associated with, and the actions necessary for, complete compliance with the criteria established under this section.

(e) There are hereby authorized to be appropriated such sums as may be necessary in order to bring each school up to the level required by the criteria established under this section.

SEC. 6703. REGULATIONS.

(a) The provisions of part 32 of title 25 of the Code of Federal Regulations, as in effect on January 1, 1987, are hereby incorporated into this Act and shall be treated as though such provisions are set forth in this subsection. Accordingly, such provisions may be altered only by means of an amendment to this subsection that is contained in an Act or joint resolution which is enacted into law. To the extent that such provisions of part 32 do not conform with this Act or any statutory provision of law enacted before the date of enactment of this Act, the provisions of this Act and the provisions of such other statutory law shall govern.

(b) The provisions of parts 31, 33, 36, 39, 42, and 43 of title 25 of the Code of Federal Regulations, as in effect on January 1, 1987, shall be applied by the Federal Government and shall not, before July 1, 1989, be amended, revoked, or altered in any manner. No officer or employee of the Executive Branch shall have the authority to issue any other regulations, prior to July 1, 1989, that supersede, supplement, or otherwise affect the provisions of such parts. To the extent that the provisions of such parts do not conform with this Act or any statutory provision of law enacted before the date of enactment of this Act, the provisions of this Act and the provisions of such other statutory law shall govern.

(c) After June 30, 1989, no regulation prescribed for the application of any program provided under this title shall become effective unless—

(1) the regulation has been published as a proposed regulation in the Federal Register,

(2) an opportunity of no less than 90 days has been afforded the public to comment on the published proposed regulation, and

(3) the regulation has, after such period for public comment, been published in the Federal Register as a final regulation.

(d) For purposes of this section, the term regulation means any rules, regulations, guidelines, interpretations, orders, or requirements of general applicability prescribed by any officer or employee of the Executive Branch.

SEC. 6704. SCHOOL BOUNDARIES.

(a) The Secretary shall, in accordance with this section, establish separate geographical attendance areas for each Bureau school.

(b)(1) Except as provided in paragraph (2), on or after July 1, 1985, no attendance area shall be changed or established with respect to any such school unless the tribal governing body or the local school board concerned (if so designated by the tribal governing body) has been (i) afforded at least six months notice of the intention of the Bureau to change or establish such attendance area, and (ii) given the opportunity to propose alternative boundaries. Any tribe may petition the Secretary for revision of existing attendance area boundaries. The Secretary shall accept such proposed alternative or revised boundaries unless the Secretary finds, after consultation with the affected tribe or tribes, that such revised boundaries do not reflect the needs of the Indian students to be served or do not provide adequate stability to all of the affected programs.

(2) In any case where there is more than 1 Bureau funded school located on an Indian reservation, at the direction of the tribal governing body, the relevant school boards of the Bureau funded schools on the reservation may, by mutual consent, establish the relevant attendance areas for such schools, subject to the approval of the tribal governing body. Any such boundaries so established shall be accepted by the Secretary.

(c) In any case where there is only 1 Bureau operated program located on an Indian reservation, the attendance area for the program shall be the boundaries of the reservation served, and those students residing near the reservation shall also receive services from such program.

(d) The Bureau of Indian Affairs shall include in the final rules the requirement that each appropriate education line officer coordinate and consult with the affected tribes and relevant school boards in the establishment of such geographic boundaries.

SEC. 6705. FACILITIES CONSTRUCTION.

(a) The Secretary shall immediately begin to bring all schools, dormitories, and other facilities operated by the Bureau or under contract or grant with the Bureau in connection with the education of Indian children into compliance with all applicable Federal, tribal, or State health and safety standards, whichever provide greater protection (except that the tribal standards to be applied shall be no greater than any otherwise applicable Federal or State standards), and with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and with the Americans with Disabilities Act of 1990, except that nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of enactment of this Act.

(b) By January 1, 1996, and at each time thereafter that the annual budget request for Bureau educational services is presented,

the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring such facilities into compliance with such standards. Such plan shall include, but not be limited to, detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each school, and specific time lines for bringing each school into compliance with such standards.

(c) Within six months of the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress, and publish in the Federal Register, the system used to establish priorities for school construction projects. At the time any budget request for school construction is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all school construction priorities.

(d)(1) A Bureau school may be closed or consolidated, and the programs of a Bureau school may be substantially curtailed, by reason of plant conditions that constitute an immediate hazard to health and safety only if a health and safety officer of the Bureau determines that such conditions exist at the Bureau school.

(2)(A) In making determinations described in paragraph (1) before July 1, 1989, health and safety officers of the Bureau shall use the health and safety guidelines of the Bureau that were in effect on January 1, 1988.

(B)(i) If—

(I) the Secretary fails to publish in the Federal Register in final form before July 1, 1989, and

(II) action described in paragraph (1) is taken after June 30, 1989, and before the date on which such regulations are published in final form in the Federal Register by reason of the condition of any plant,

an inspection of the condition of such plant shall be conducted by an appropriate tribal, county, municipal, or State health and safety officer to determine whether conditions at such plant constitute an immediate hazard to health and safety. Such inspection shall be completed by no later than the date that is 30 days after the date on which the action described in paragraph (1) is taken.

(ii) The inspection required under clause (i) shall be conducted by a health and safety officer designated jointly by the Secretary and the tribes affected by the action described in paragraph (1). If the Secretary and such tribes are unable to agree on the designation of the health and safety officer, the Secretary shall designate the health and safety officer and shall provide notice of such designation to each of such tribes before the inspection is conducted by such officer.

(iii) If the health and safety officer conducting an inspection of a plant required under clause (i) determines that conditions at the plant do not constitute an immediate hazard to health and safety, any consolidation or curtailment that was made by reason of conditions at the plant shall immediately cease and any school closed by reason of conditions at the plant shall be reopened immediately.

(3) If—

(A) a Bureau school is temporarily closed or consolidated, or the programs of a Bureau school are substantially curtailed, by

reason of plant conditions that constitute an immediate hazard to health and safety, and

(B) the Secretary estimates that the closure, consolidation, or curtailment will be more than 1 year in duration,

the Secretary shall submit to the Congress, by no later than the date that is 6 months after the date on which the closure, consolidation, or curtailment is initiated, a report which sets forth the reasons for such temporary actions and the actions the Secretary is taking to eliminate the conditions that constitute the hazard.

(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out subsection (a).

SEC. 6706. BUREAU OF INDIAN AFFAIRS EDUCATION FUNCTIONS.

(a) The Secretary shall vest in the Assistant Secretary for Indian Affairs all functions with respect to formulation and establishment of policy and procedure, and supervision of programs and expenditures of Federal funds for the purpose of Indian education administered by the Bureau. The Assistant Secretary shall carry out such functions through the Director of the Office of Indian Education.

(b) The Director of the Office shall direct and supervise the operations of all personnel directly and substantially involved with provision of education services by the Bureau, including (but not limited to) school or institution custodial or maintenance personnel. The Assistant Secretary for Indian Affairs shall provide for the adequate coordination between the affected Bureau Offices and the Office to facilitate the consideration of all contract functions relating to education. Except as required by section 6709(d), nothing in this Act shall be construed to require the provision of separate support services for Indian education.

(c) Education personnel who are under the direction and supervision of the Director of the Office in accordance with the first sentence of subsection (b) shall—

(1) monitor and evaluate Bureau education programs,

(2) provide all services and support functions for education programs with respect to personnel matters involving staffing actions and functions, and

(3) provide technical and coordinating assistance in areas such as procurement, contracting, budgeting, personnel, and curriculum.

(d)(1) The Assistant Secretary shall submit in the annual Budget a plan—

(A) for school facilities to be constructed under the system required by section 6705(c);

(B) for establishing priorities among projects and for the improvement and repair of education facilities, which together shall form the basis for the distribution of appropriated funds; and

(C) including a 5-year plan for capital improvements.

(2) The Assistant Secretary shall establish a program, including the distribution of appropriated funds, for the operation and maintenance of education facilities. Such program shall include, but not be limited to—

(A) a method of computing the amount necessary for each education facility;

(B) similar treatment of all Bureau funded schools;

(C) a notice of an allocation of appropriated funds from the Director of the Office directly to the appropriate education line officers; and

(D) a system for the conduct of routine preventive maintenance.

The appropriate education line officers shall make arrangements for the maintenance of education facilities with the local supervisors of the Bureau maintenance personnel who are under the authority of the agency superintendent or area directors, respectively. The local supervisors of Bureau maintenance personnel shall take appropriate action to implement the decisions made in this regard by the appropriate education line officers, except that no funds from this program may be authorized for expenditure unless such appropriate education line officer is assured that the necessary maintenance has been, or will be, provided in a reasonable manner. Subject to the requirements of subsection (b) of this section, nothing in this Act shall be construed to require the provision of separate operations and maintenance personnel for the Office.

(3) The requirements of this subsection shall be implemented no later than July 1, 1995.

(e) Any other provision of law notwithstanding, the Director shall promulgate guidelines for the establishment of mechanisms for the acceptance of gifts and bequests for the use of, and benefit of, particular schools or designated Bureau operated education programs, including, where appropriate, the establishment and administration of trust funds. When a Bureau operated program is the beneficiary of such a gift or bequest, the Director shall make provisions for monitoring its use, and shall report to the appropriate committees of Congress the amount and terms of such gift and bequest, the use to which it is put, and any positive results achieved by such action.

(f) For the purpose of this section the term functions includes powers and duties.

SEC. 6707. ALLOTMENT FORMULA.

(a) The Secretary shall establish, by regulation adopted in accordance with section 6719, a formula for determining the minimum annual amount of funds necessary to sustain each Bureau funded school. In establishing such formula, the Secretary shall consider—

(1) the number of eligible Indian students served and size of the school;

(2) special cost factors, such as—

(A) isolation of the school;

(B) need for special staffing, transportation, or educational programs;

(C) food and housing costs;

(D) maintenance and repair costs associated with the physical condition of the educational facilities;

(E) special transportation and other costs of isolated and small schools;

(F) the costs of boarding arrangements, where determined necessary by a tribal governing body or designated local school board;

(G) costs associated with greater lengths of service by educational personnel; and

(H) special programs for gifted and talented students;

(3) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located;

(4) such other relevant factors as the Secretary determines are appropriate.

Upon the establishment of the standards required by sections 6701 and 6702 of this Act, the Secretary shall revise the formula established under this subsection to reflect the cost and funding standards so established. Prior to January 1, 1995, the Secretary shall review the formula established under this section and shall take such steps as may be necessary to increase the availability of counseling services for students in off-reservation boarding schools and other Bureau operated residential facilities. Concurrent with such action, the Secretary shall review the standards established under section 6701 of this title to be certain that adequate provision is made for parental notification regarding, and consent for, such counseling services.

(b) Notwithstanding any other provisions of law, Federal funds appropriated for the general local operation of Bureau funded schools, shall be allotted pro rata in accordance with the formula established under subsection (a).

(c)(1) For fiscal year 1990, and for each subsequent fiscal year, the Secretary shall adjust the formula established under subsection (a) to—

(A) use a weighted unit of 1.2 for each eligible Indian student enrolled in the seventh and eighth grades of the school in considering the number of eligible Indian students served by the school;

(B) consider a school with an enrollment of less than 50 eligible Indian students as having an average daily attendance of 50 eligible Indian students for purposes of implementing the adjustment factor for small schools; and

(C) take into account the provision of residential services on a less than 9-month basis at a school when the school board and supervisor of the school determine that a less than 9-month basis will be implemented for the school year involved.

(2)(A) The Secretary shall reserve for national school board training 0.2 percent of the funds appropriated for each fiscal year for distribution under this section. Such training shall be conducted through the same organizations through which, and in the same manner in which, the training was conducted in fiscal year 1992. If the contract for such training is not awarded before May 1 of each fiscal year, the contract under which such training was provided for the fiscal year preceding such fiscal year shall be renewed by the Secretary for such fiscal year. The agenda for the training sessions shall be established by the school boards through their regional or national organizations.

(B) For each year in which the Secretary uses a weighted unit formula established under subsection (a) to fund Bureau schools, a Bureau school which generates less than 168 weighted units shall receive an additional 2 weighted units to defray school board activities.

(C) From the funds allotted in accordance with the formula established under subsection (a) for each Bureau school, the local school

board of such school may reserve an amount which does not exceed the greater of—

(i) $5,000, or

(ii) the lesser of—

(I) $15,000, or

(II) 1 percent of such allotted funds,

for school board activities for such school, including but not limited to, and notwithstanding any other provision of law, meeting expenses and the cost of membership in, and support of, organizations engaged in activities on behalf of Indian education.

(3)(A) The Secretary shall adjust the formula established under subsection (a) to use a weighted unit of 2.0 for each eligible Indian student that—

(i) is gifted and talented (as determined pursuant to section 6204 of the Indian Education Act of 1988), and

(ii) is enrolled in the school on a full-time basis,

in considering the number of eligible Indian students served by the school.

(B) The adjustment required under subparagraph (A) shall be used for the later of the following fiscal years and for each fiscal year succeeding such later fiscal year:

(i) the second fiscal year succeeding the fiscal year in which the Secretary of Education makes the report required under section 6204(c)(6)(B) of the Indian Education Act of 1988, or

(ii) the first fiscal year for which an increase in the amount of funds appropriated for allotment under this section is designated by the law that appropriates such funds as the amount necessary to implement such adjustment without reducing allotments made under this section to any school.

(d) The Secretary shall reserve from the funds available for distribution for each fiscal year under this section an amount which, in the aggregate, shall equal 1 percent of the funds available for such purpose for that fiscal year. Such funds shall be used, at the discretion of the Director of the Office, to meet emergencies and unforeseen contingencies affecting the education programs funded under this section. Funds reserved under this subsection may only be expended for education services or programs at a schoolsite (as defined in section 5204(c)(2) of the Tribally Controlled Schools Act of 1988). Funds reserved under this subsection shall remain available without fiscal year limitation until expended. However, the aggregate amount available from all fiscal years may not exceed 1 percent of the current year funds. Whenever the Secretary makes funds available under this subsection, the Secretary shall report such action to the appropriate committees of Congress within the annual budget submission.

(e) Supplemental appropriations enacted to meet increased pay costs attributable to school level personnel shall be distributed under this section.

(f) In this section "eligible Indian student" means a student who—

(1) is a member of or is at least a 1/4 degree Indian blood descendant of a member of an Indian tribe which is eligible for the special programs and services provided by the United States through the Bureau of Indian Affairs to Indians because of their status as Indians, and

(2) resides on or near an Indian reservation or meets the criteria for attendance at a Bureau off-reservation boarding school.

(g)(1) An eligible Indian student may not be charged tuition for attendance at a Bureau or contract school. A student attending a Bureau school under clause (2)(C) of this subsection may not be charged tuition.

(2) The Secretary may permit the attendance at a Bureau school of a student who is not an eligible Indian student if—

(A) the Secretary determines that the student's attendance will not adversely affect the school's program for eligible Indian students because of cost, overcrowding, or violation of standards,

(B) the school board consents, and

(C) the student is a dependent of a Bureau, Indian Health Service, or tribal government employee who lives on or near the school site, or

(D) a tuition is paid for the student that is not more than that charged by the nearest public school district for out-of-district students. The tuition collected is in addition to the school's allocation under this section.

(3) The school board of a contract school or grant school may permit students who are not eligible Indian students under this subsection to attend its contract school or grant school and any tuition collected for those students is in addition to funding under this section.

(h)(1) The Secretary shall conduct, through contact or cooperative agreement with an entity having proven expertise in the field of school finance, and after consultation with tribes and national Indian organizations, a study to determine the feasibility and desirability of changing the method of financing for Bureau funded schools from the weighted student unit formula method in effect on the date of enactment of this Act to a school based budget system of financing. The Assistant Secretary shall take such steps as are necessary to immediately implement this provision.

(2) For the purposes of this study, the term "school-based budget system" means a system based upon an initial determination, at each school site, of the number of students who shall be served at the site, the needs of those students, the standards which will best meet those needs (including any standards or conditions reflecting local community input and the program developed under this part), the personnel profile necessary to establish such program and the cost (determined on an actual basis) of funding such a program. Such a system would include procedures to aggregate the determinations for each school site to determine the amount needed to fund all Bureau-funded schools, to prepare a budget submission based upon such aggregate and would provide for a mechanism for distributing such sums as may be appropriated based upon the determination at each school site.

(3) No later than January 20, 1996, the Secretary shall transmit to the Committees on Education and Labor and Appropriations of the House of Representatives and the Committees on Indian Affairs and Appropriations of the Senate of the United States the study re-

quired under this subsection, along with any views or comments of the Secretary on such study.

(i) Any other provision of law notwithstanding, at the election of the school board made at any time during the fiscal year, a portion equal to no more than 15 percent of the funds allocated with respect to a school under this section for any fiscal year shall remain available to the school for expenditure without fiscal year limitation. The Assistant Secretary shall take steps as may be necessary to implement this provision immediately.

(j) Tuition for the out-of-State students boarding at the Richfield Dormitory in Richfield, Utah, who attend Sevier County high schools in Richfield, Utah, may be paid from the Indian School Equalization Program funds at a rate not to exceed the amount per Weighted Student Unit for that year for instruction. No additional administrative cost funds will be added to the grant.

SEC. 6708. ADMINISTRATIVE COST GRANTS.

(a)(1) The Secretary shall, subject to the availability of appropriated funds, provide grants to each tribe or tribal organization operating a contract or grant school in the amount determined under this section with respect to the tribe or tribal organization for the purpose of paying the administrative and indirect costs incurred in operating contract schools in order to—

(A) enable tribes and tribal organizations operating such schools, without reducing direct program services to the beneficiaries of the program, to provide all related administrative overhead services and operations necessary to meet the requirements of law and prudent management practice, and

(B) carry out other necessary support functions which would otherwise be provided by the Secretary or other Federal officers or employees, from resources other than direct program funds, in support of comparable Bureau operated programs.

(2) Amounts appropriated to fund the grants provided under this section shall be in addition to, and shall not reduce, the amounts appropriated for the program being administered by the contract schools.

(b)(1) The amount of the grant provided to each tribe or tribal organization under this section for each fiscal year shall be determined by applying the administrative cost percentage rate of the tribe or tribal organization to the aggregate of the Bureau elementary and secondary functions operated by the tribe or tribal organization for which funds are received from or through the Bureau. The administrative cost percentage rate determined under subsection (c) does not apply to other programs operated by the tribe or tribal organization.

(2) The Secretary shall—

(A) reduce the amount of the grant determined under paragraph (1) to the extent that payments for administrative costs are actually received by an Indian tribe or tribal organization under any Federal education program included in the direct cost base of the tribe or tribal organization, and

(B) take such actions as may be necessary to be reimbursed by any other department or agency of the Federal Government for the portion of grants made under this section for the costs

of administering any program for Indians that is funded by appropriations made to such other department or agency.

(c) For purposes of this section, the administrative cost percentage rate for a contract or grant school for a fiscal year is equal to the percentage determined by dividing—

(1) the sum of—

(A) the amount equal to—

(i) the direct cost base of the tribe or tribal organization for the fiscal year, multiplied by

(ii) the minimum base rate, plus

(B) the amount equal to—

(i) the standard direct cost base, multiplied by

(ii) the maximum base rate, by

(2) the sum of—

(A) the direct cost base of the tribe or tribal organization for the fiscal year, plus

(B) the standard direct cost base.

The administrative cost percentage rate shall be determined to the $^{1}/_{100}$ *of a decimal point.*

(d)(1)(A) Funds received by a tribe or contract or grant school as grants under this section for tribal elementary or secondary educational programs may be combined by the tribe or contract school into a single administrative cost account without the necessity of maintaining separate funding source accounting.

(B) Indirect cost funds for programs at the school which share common administrative services with tribal elementary or secondary educational programs may be included in the administrative cost account described in subparagraph (A).

(2) Funds received as grants under this section with respect to tribal elementary or secondary education programs shall remain available to the contract or grant school without fiscal year limitation and without diminishing the amount of any grants otherwise payable to the school under this section for any fiscal year beginning after the fiscal year for which the grant is provided.

(3) Funds received as grants under this section for Bureau funded programs operated by a tribe or tribal organization under a contract or agreement shall not be taken into consideration for purposes of indirect cost underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived.

(4) In applying this section and section 106 of the Indian Self-Determination and Education Assistance Act with respect to an Indian tribe or tribal organization that—

(A) receives funds under this section for administrative costs incurred in operating a contract school or a school operated under the Tribally Controlled Schools Act of 1988, and

(B) operates 1 or more other programs under a contract or grant provided under the Indian Self-Determination and Education Assistance Act,

the Secretary shall ensure that the Indian tribe or tribal organization is provided with the full amount of the administrative costs, and of the indirect costs, that are associated with operating the contract school, a school operated under the Tribally Controlled Schools Act of 1988, and all of such other programs, except that funds appropriated for implementation of this section shall be used *only to supply the amount of the grant required to be provided by this section.*

(e) For purposes of this section—

(1)(A) The term "administrative cost" means the costs of necessary administrative functions which—

(i) the tribe or tribal organization incurs as a result of operating a tribal elementary or secondary educational program,

(ii) are not customarily paid by comparable Bureau operated programs out of direct program funds, and

(iii) are either—

(I) normally provided for comparable Bureau programs by Federal officials using resources other than Bureau direct program funds, or

(II) are otherwise required of tribal self-determination program operators by law or prudent management practice.

(B) The term "administrative cost" may include, but is not necessarily limited to—

(i) contract (or other agreement) administration;

(ii) executive, policy, and corporate leadership and decisionmaking;

(iii) program planning, development, and management;

(iv) fiscal, personnel, property, and procurement management;

(v) related office services and record keeping; and

(vi) costs of necessary insurance, auditing, legal, safety and security services.

(2) The term "Bureau elementary and secondary functions" means—

(A) all functions funded at Bureau schools by the Office of Indian Education Programs of the Bureau;

(B) all programs—

(i) funds for which are appropriated to other agencies of the Federal Government, and

(ii) which are administered for the benefit of Indians through Bureau schools; and

(C) all operation, maintenance, and repair funds for facilities and government quarters used in the operation or support of elementary and secondary education functions for the benefit of Indians, from whatever source derived.

(3) The term "tribal elementary or secondary educational programs" means all Bureau elementary and secondary functions, together with any other Bureau programs or portions of programs (excluding funds for social services that are appropriated to agencies other than the Bureau and are expended through the Bureau, funds for major subcontracts, construction, and other major capital expenditures, and unexpended funds carried over from prior years) which share common administrative cost functions, that are operated directly by a tribe or tribal organization under a contract or agreement with the Bureau.

(4)(A) Except as otherwise provided in this paragraph, the direct cost base of a tribe or tribal organization for the fiscal year is the aggregate direct cost program funding for all tribal ele-

mentary or secondary educational programs operated by the tribe or tribal organization during—

(i) the second fiscal year preceding such fiscal year, or

(ii) if such programs have not been operated by the tribe or tribal organization during the 2 preceding fiscal years, the first fiscal year preceding such fiscal year.

(B) In the case of Bureau elementary or secondary education functions which have not previously been operated by a tribe or tribal organization under contract or agreement with the Bureau, the direct cost base for the initial year shall be the projected aggregate direct cost program funding for all Bureau elementary and secondary functions to be operated by the tribe or tribal organization during that fiscal year.

(5) The term "maximum base rate" means 50 percent.

(6) The term "minimum base rate" means 11 percent.

(7) The term "standard direct cost base" means $600,000.

(f)(1) Upon the enactment of the Indian Education Amendments of 1988, the Secretary shall—

(A) conduct such studies as may be needed to establish an empirical basis for determining relevant factors substantially affecting the required administrative costs of tribal elementary and secondary educational programs, using the formula set forth in subsection (c), and

(B) a study to determine—

(i) a maximum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the smallest tribal elementary or secondary educational programs,

(ii) a minimum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the largest tribal elementary or secondary educational programs, and

(iii) a standard direct cost base which is the aggregate direct cost funding level for which the percentage determined under subsection (c) will—

(I) be equal to the median between the maximum base rate and the minimum base rate, and

(II) ensure that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of tribal elementary or secondary educational programs closest to the size of the program.

(2) The studies required under paragraph (1) shall—

(A) be conducted in full consultation (in accordance with section 1130) with—

(i) the tribes and tribal organizations that are affected by the application of the formula set forth in subsection (c), and

(ii) all national and regional Indian organizations of which such tribes and tribal organizations are typically members;

(B) be conducted on-site at a representative statistical sample of the tribal elementary or secondary educational programs under a contract entered into with a nationally reputable public accounting and business consulting firm;

(C) take into account the availability of skilled labor, commodities, business and automatic data processing services, related Indian preference and Indian control of education requirements, and any other market factors found substantially to affect the administrative costs and efficiency of each such tribal elementary or secondary educational program studied in order to assure that all required administrative activities can reasonably be delivered in a cost effective manner for each such program, given an administrative cost allowance generated by the values, percentages, or other factors found in the studies to be relevant in such formula;

(D) identify, and quantify in terms of percentages of direct program costs, any general factors arising from geographic isolation, or numbers of programs administered, independent of program size factors used to compute a base administrative cost percentage in such formula; and

(E) identify any other incremental cost factors substantially affecting the costs of required administrative cost functions at any of the tribal elementary or secondary educational programs studied and determine whether the factors are of general applicability to other such programs, and (if so) how they may effectively be incorporated into such formula.

(3) In carrying out the studies required under this subsection, the Secretary shall obtain the input of, and afford an opportunity to participate to, the Inspector General of the Department of the Interior.

(4) Determinations described in paragraph (2)(C) shall be based on what is pragmatically possible to do at each location studied, given prudent management practice, irrespective of whether required administrative services were actually or fully delivered at these sites, or other services were delivered instead, during the period of the study.

(5) Upon completion of the studies conducted under paragraph (1), but in no case later than October 1, 1989, the Secretary shall submit to the Congress a report on the findings of the studies, together with determinations based upon such findings that would affect the definitions of terms used in the formula that is set forth in subsection (c).

(6) The Secretary shall include in the Bureau's justification for each appropriations request for each fiscal year beginning after fiscal year 1989, a projection of the overall costs associated with the formula set forth in subsection (c) for all tribal elementary or secondary educational programs which the Secretary expects to be funded in the fiscal year for which the appropriations are sought.

(7) For purposes of this subsection, the size of tribal elementary or secondary educational programs is determined by the aggregate direct cost program funding level for all Bureau funded programs which share common administrative cost functions.

(g)(1) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.

(2) If the total amount of funds necessary to provide grants to tribes and tribal organizations in the amounts determined under subsection (b) for a fiscal year exceeds the amount of funds appropriated to carry out this section for such fiscal year, the Secretary shall reduce the amount of each grant determined under subsection (b) for such fiscal year by an amount that bears the same relationship to such excess as the amount of such grant determined under subsection (b) bears to the total of all grants determined under subsection (b) for all tribes and tribal organizations for such fiscal year.

(h)(1) Notwithstanding any other provision of this section, the amount of the grants provided under this section for fiscal year 1989 shall—

- *(A) in lieu of being determined under subsection (b), be determined for each tribal elementary or secondary educational program on the same basis that indirect costs were determined for such programs for fiscal year 1988, and*
- *(B) be subject to the provisions of subsection (d).*

(2) Notwithstanding any other provision of this section, the amount of the grant provided under this section for fiscal year 1990 with respect to each tribal elementary and secondary educational program that was operated by a tribe or tribal organization in fiscal year 1989 shall be equal to—

- *(A) if the amount of the grant determined under subsection (b) for fiscal year 1990 with respect to such program exceeds the amount received by the tribe or tribal organization with respect to such program for administrative costs for fiscal year 1988 (or fiscal year 1989 if such program was not operated by the tribe or tribal organization during fiscal year 1988), the sum of—*
  - *(i) such amount received, plus*
  - *(ii) 1/3 of the excess of—*
    - *(I) such amount determined under subsection (b), over*
    - *(II) such amount received, or*
- *(B) if such amount received exceeds such amount determined under subsection (b), the excess of—*
  - *(i) such amount received, over*
  - *(ii) an amount equal to 1/3 of the excess of—*
    - *(I) such amount received, over*
    - *(II) such amount determined under subsection (b).*

(3) Notwithstanding any other provision of this section, the amount of the grants provided under this section for fiscal year 1991 with respect to each tribal elementary and secondary educational program that was operated by a tribe or tribal organization in fiscal year 1989 shall be equal to—

- *(A) if the amount of the grant determined under subsection (b) for fiscal year 1991 with respect to such program exceeds the amount received by the tribe or tribal organization with respect to such program for administrative costs for fiscal year 1990, the sum of—*
  - *(i) such amount received, plus*

(ii) ½ of the excess of—

(I) such amount determined under subsection (b), over

(II) such amount received, or

(B) if such amount received exceeds such amount determined under subsection (b), the excess of—

(i) such amount received, over

(ii) an amount equal to ½ of the excess of—

(I) such amount received over,

(II) such amount determined under subsection (b).

(i) The provisions of this section shall also apply to those schools operating under the Tribally Controlled Schools Act of 1988.

SEC. 6709. BUDGET PREPARATION AND SUBMISSION.

(a) For each fiscal year beginning after October 1, 1994, and ending before October 1, 1998, the Secretary shall enter into an interagency agreement with the Secretary of Education for the purpose of carrying out this section. The Secretary shall take such actions as are necessary to transfer information requested by the Secretary of Education or the entity designated under subsection (b) of this section needed to carry out this section in a timely and accurate fashion.

(b) The Secretary of Education, through the National Center for Education Statistics, shall prepare and submit to Congress the study set forth in subsection (c) of this section no later than January 20, 1995, and January 20 of each of the next 3 succeeding years. The Secretary of Education shall transmit the report directly and without substantive amendment to the Secretary of the Interior, the Assistant Secretary for Indian Affairs of the Department of the Interior, and the Committees on Education and Labor and Appropriations of the House of Representatives and the Committees on Indian Affairs and Appropriations of the Senate of the United States.

(c)(1) The National Center for Educational Statistics (hereinafter referred to as the "Center") shall prepare for each of the fiscal years covered under subsection (a) of this section a report on the amount needed to achieve academic and residential programs set forth in this part for Bureau-funded schools funded under section 6707. Such study shall be based on (A) the standards developed and implemented for Bureau-funded schools under section 6701 and 6702 of this part or such other standards as may apply to Bureau-funded contract schools or schools funded under the Tribally Controlled Schools Act of 1988, (B) the student count and characteristics of such schools, as determined pursuant to the formula developed and implemented pursuant to section 6707 of this part for the preceding academic year, adjusted for any changes in student demographics which the Center may project, (C) the employee statistics with respect to such schools for the preceding fiscal year, and (D) such other factors as the Center may set forth, including but not limited to age or physical condition of the schools and changes in isolation.

(2) Each study shall include a total projected cost for attaining the standards set forth under paragraph (1), and shall presume compliance with those standards. Such study shall also include a projection of the cost for meeting such standards for each Bureau funded school. Such study shall also include a report on any shortfall in the amount needed to fund Bureau-funded schools, as deter-

mined by the study conducted pursuant to this section and the appropriations amount requested and enacted for the period covered by the study.

(d)(1) Within 24 months of the date of enactment of this Act, the Secretary shall establish within the Office of Indian Education Programs a Division of Budget Analysis (hereinafter referred to as the "Division"). Such Division shall be under the direct supervision and control of the Director of the Office.

(2) The Division shall have the capacity to conduct such studies, surveys, or other activities as are necessary to gather demographic information on Bureau-funded schools (current and future) and project the amount necessary to provide Indian students in such schools the educational program set forth in this part.

(3) The Division shall prepare projections on such amounts, along with such other information as the Director of the Office shall require, for each fiscal year beginning after October 1, 1996. The Director of the Office and the Assistant Secretary for Indian Affairs shall use such reports when preparing their annual budget submissions.

SEC. 6710. UNIFORM DIRECT FUNDING AND SUPPORT.

(a)(1) Within six months after the date of enactment of this Act, the Secretary shall establish, by regulation adopted in accordance with section 6719, a system for the direct funding and support of all Bureau-funded schools. Such system shall allot funds, in accordance with section 6707. Amounts appropriated for distribution under this section may be made available under paragraph (2) or under paragraph (3), as provided in the appropriation Act.

(2)(A) For the purpose of affording adequate notice of funding available pursuant to the allotments made by section 6707, amounts appropriated in an appropriation Act for any fiscal year shall become available for obligation by the affected schools on July 1 of the fiscal year in which they are appropriated without further action by the Secretary, and shall remain available for obligation through the succeeding fiscal year.

(B) The Secretary shall, on the basis of the amount appropriated in accordance with this paragraph—

(i) publish, on July 1 preceding the fiscal year for which the funds are appropriated, allotments to each affected school made under section 6707 of 85 percent of such appropriation; and

(ii) publish, no later than September 30 of such preceding fiscal year, the allotments to be made under section 6707 of the remaining 15 percent of such appropriation, adjusted to reflect actual student attendance.

(3) Notwithstanding any law or regulation, the supervisor of a Bureau school may expend an aggregate of no more than $35,000 of the amount allotted the school under section 6707 to acquire supplies and equipment for the school without competitive bidding if—

(A) the cost for any single item purchased does not exceed $10,000;

(B) the school board approves the procurement;

(C) the supervisor certifies that the cost is fair and reasonable;

(D) the documents relating to the procurement executed by the supervisor or other school staff cite this paragraph as authority for the procurement; and

(E) the transaction is documented in a journal maintained at the school clearly identifying when the transaction occurred, what was acquired and from whom, the prices paid, the quantities acquired, and any other information the supervisor or school board considers relevant.

The Director shall be responsible for determining the application of this paragraph, including the authorization of specific individuals to carry out this authority, and shall be responsible for the provision of guidelines on the use of this authority and adequate training on such guidelines.

(4) If a sequestration order issued under the Balanced Budget and Emergency Deficit Control Act of 1985 reduces the amount of funds available for allotment under section 6707 for any fiscal year by more than 7 percent of the amount of funds available for allotment under such section during the preceding fiscal year—

(A) the Secretary may, notwithstanding any other provision of law, use—

(i) funds appropriated for the operation of any Bureau school that is closed or consolidated, and

(ii) funds appropriated for any program that has been curtailed at any Bureau school,

to fund allotments made under section 6707, and

(B) the Secretary may waive the application of the provisions of section 6701(h) with respect to the closure or consolidation of a school, or the curtailment of a program at a school, during such fiscal year if the funds described in clauses (i) and (ii) of subparagraph (A) with respect to such school are used to fund allotments made under section 6707 for such fiscal year.

(b) In the case of all Bureau schools, allotted funds shall be expended on the basis of local financial plans which shall be prepared by the local school supervisor in active consultation with the local school board for each school, and the local school board for each school shall have the authority to ratify, reject, or amend such financial plan, and expenditures thereunder, and, on its own determination or in response to the supervisor of the school, to revise such financial plan to meet needs not foreseen at the time of preparation of the financial plan. The supervisor shall provide the appropriate union representative of the education employees with copies of proposed draft financial plans and all amendments or modifications thereto, at the same time they are submitted to the local school board. The supervisor of the school may appeal any such action of the local school board to the appropriate education officer of the Bureau agency by filing a written statement describing the action and the reasons the supervisor believes such action should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the appropriate education officer may, for good cause, overturn the action of the local school board. The appropriate education officer shall transmit the determination of such appeal in

the form of a written opinion to such board and to such supervisor identifying the reasons for overturning such action.

(c) Funds for self-determination grants under section 103(a)(2) of the Indian Self-Determination and Education Assistance Act shall not be used for providing technical assistance and training in the field of education by the Bureau unless such services are provided in accordance with a plan, agreed to by the tribe or tribes affected and the Bureau, under which control of education programs is intended to be transferred to such tribe or tribes within a specific period of time negotiated under such agreement. The Secretary may approve applications for funding tribal divisions of education and the development of tribal codes of education from funds appropriated pursuant to section 104(a) of such Act.

(d) In the exercise of its authority under this section, a local school board may request technical assistance and training from the Secretary, and he shall, to the greatest extent possible, provide such services, and make appropriate provisions in the budget of the Office for such services.

(e)(1) A financial plan under subsection (b) for a school may include, at the discretion of the local administrator and the school board of such school, a provision for a summer program of academic and support services for students of the school. Any such program may include activities related to the prevention of alcohol and substance abuse. The Assistant Secretary of Indian Affairs shall provide for the utilization of any such school facility during any summer in which such utilization is requested.

(2) Notwithstanding any other provision of law, funds authorized under the Act of April 16, 1934 (25 U.S.C. 452 et seq.) and the Indian Education Act may be used to augment the services provided in each summer program at the option, and under the control, of the tribe or Indian controlled school receiving such funds.

(3) The Assistant Secretary of Indian Affairs, acting through the Director of the Office of Indian Education Programs, shall provide technical assistance and coordination for any program described in paragraph (1) and shall, to the extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of any such program.

(f)(1) From funds allotted to a Bureau school under section 6707, the Secretary shall, if specifically requested by the tribal governing body (within the meaning of section 6701(k)), implement any cooperative agreement entered into between the tribe, the Bureau school board, and the local public school district which meets the requirements of paragraph (2) and involves the school. The tribe, the Bureau school board, and the local public school district shall determine the terms of the agreement. Such agreement may encompass coordination of all or any part of the following:

(A) Academic program and curriculum, unless the Bureau school is currently accredited by a State or regional accrediting entity and would not continue to be so accredited.

(B) Support services, including procurement and facilities maintenance.

(C) Transportation.

(2) Each agreement entered into pursuant to the authority provided in paragraph (1) shall confer a benefit upon the Bureau school commensurate with the burden assumed, though this requirement shall not be construed so as to require equal expenditures or an exchange of similar services.

(g) Any other provision of law notwithstanding, where there is agreement on such action between the superintendent and school board of a B.I.A. funded school, the product or result of a project conducted in whole or in major part by a student may be given to that student upon the completion of said project.

(h) Notwithstanding any other provision of law, funds received by Bureau funded schools under this title shall not be considered Federal funds for purposes of meeting a match requirement in any Federal program.

SEC. 6711. POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION.

(a) It shall be the policy of the the Secretary and the Bureau, in carrying out the functions of the Bureau, to facilitate Indian control of Indian affairs in all matters relating to education.

(b)(1) All actions under this Act shall be done with active consultation with tribes.

(2) The consultation required under paragraph (1) means a process involving the open discussion and joint deliberation of all options with respect to potential issues or changes between the Bureau and all interested parties. During such discussions and joint deliberations, interested parties (including, but not limited to, tribes and school officials) shall be given an opportunity to present issues including proposals regarding changes in current practices or programs which will be considered for future action by the Bureau. All interested parties shall be given an opportunity to participate and discuss the options presented or to present other alternatives, with the views and concerns of the interested parties given effect unless the Secretary determines, from information educed or presented by the interested parties during 1 or more of the discussions and deliberations, that there is a substantial reason for another course of action. The Secretary shall submit to any Member of Congress, within 18 days of the receipt of a written request by such Member, a written explanation of any decision made by the Secretary which is not consistent with the views of the interested parties.

SEC. 6712. EDUCATION PERSONNEL.

(a)(1) Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to leave, pay, and classification, and the sections relating to the appointment, promotion and removal of civil service employees, shall not apply to educators or to education positions (as defined in subsection (n)).

(2) Paragraph (1) shall take effect 1 year after the date of enactment of this Act.

(b) Not later than the effective date of subsection (a)(2), the Secretary shall prescribe regulations to carry out this section. Such regulations shall govern—

(1) the establishment of education positions,

(2) the establishment of qualifications for educators,

(3) the fixing of basic compensation for educators and education positions,

(4) the appointment of educators,

(5) the discharge of educators,

(6) the entitlement of educators to compensation,

(7) the payment of compensation to educators,

(8) the conditions of employment of educators,

(9) the length of the school year applicable to education positions described in subsection (n)(1)(A),

(10) the leave system for educators, and

(11) such other matters as may be appropriate.

(c)(1) In prescribing regulations to govern the qualifications of educators, the Secretary shall require—

(A)(i) that lists of qualified and interviewed applicants for education positions be maintained in each agency and area office of the Bureau from among individuals who have applied at the agency or area level for an education position or who have applied at the national level and have indicated in such application an interest in working in certain areas or agencies; and

(ii) that a list of qualified and interviewed applicants for education positions be maintained in the Office from among individuals who have applied at the national level for an education position and who have expressed interest in working in an education position anywhere in the United States;

(B) that a local school board shall have the authority to waive on a case-by-case basis, any formal education or degree qualifications established by regulation pursuant to subsection (b)(2), in order for a tribal member to be hired in an education position to teach courses on tribal culture and language and that subject to subsection (d)(2)(A), a determination by a school board that such a person be hired shall be followed by the supervisor; and

(C) that it shall not be a prerequisite to the employment of an individual in an education position at the local level that such individual's name appear on the national list maintained pursuant to subsection (c)(1)(A)(ii) or that such individual has applied at the national level for an education position.

(2) The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations, if the Secretary determines that failure to do so would result in that position remaining vacant.

(d)(1) In prescribing regulations to govern the appointment of educators, the Secretary shall require—

(A)(i) that educators employed in a school (other than the supervisor of the school) shall be hired by the supervisor of the school unless there are no qualified applicants available, in which case the vacant position shall be filed at the national level from the list maintained pursuant to subsection (c)(1)(A)(ii).

(ii) each school supervisor shall be hired by the superintendent for education of the agency office of the Bureau in which the school is located, and

(iii) educators employed in an agency office of the Bureau shall be hired by the superintendent for education of the agency office;

(B) that before an individual is employed in an education position in a school by the supervisor of a school (or, with respect to the position of supervisor, by the appropriate agency superintendent for education), the local school board for the school shall be consulted, and that subject to subsection (d)(2), a determination by the school board that such individual should or should not be so employed shall be followed by the supervisor (or with respect to the position of supervisor, by the agency superintendent for education); and

(C) that before an individual may be employed in an education position at the agency level, the appropriate agency school board shall be consulted, and that, subject to subsection (d)(3), a determination by such school board that such individual should or should not be employed shall be followed by the agency superintendent for education.

(2)(A) The supervisor of a school may appeal to the appropriate agency superintendent for education any determination by the local school board for the school that an individual be employed, or not be employed, in an education position in the school (other than that of supervisor) by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the superintendent may, for good cause, overturn the determination of the local school board. The superintendent shall transmit the determination of such appeal in the form of a written opinion to such board and to such supervisor identifying the reasons for overturning such determination.

(B) The superintendent for education of an agency office of the Bureau may appeal to the Director of the Office any determination by the local school board for the school that an individual be employed, or not be employed, as the supervisor of a school by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the local school board. The Director shall transmit the determination of such appeal in the form of a written opinion to such board and to such superintendent identifying the reasons for overturning such determination.

(3) The superintendent for education of an agency office of the Bureau may appeal to the Director of the Office any determination by the agency school board that an individual be employed, or not be employed, in an education position in such agency office by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned. A copy of such statement shall be submitted to the agency school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the agency school board. The Director shall transmit the de-

termination of such appeal in the form of a written opinion to such board and to such superintendent identifying the reasons for overturning such determination.

(4) Any individual who applies at the local level for an education position shall state on such individual's application whether or not such individual has applied at the national level for an education position in the Bureau. If such individual is employed at the local level, such individual's name shall immediately be forwarded to the Secretary, who shall, as soon as possible but in no event in more than thirty days, ascertain the accuracy of the statement made by such individual pursuant to the first sentence of this subparagraph. If the individual's statement is found to have been false, such individual, at the Secretary's discretion, may be disciplined or discharged. If the individual had applied at the national level for an education position in the Bureau, if the appointment of such individual at the local level shall be conditional for a period of ninety days, during which period the Secretary may appoint a more qualified individual (as determined by the Secretary) from the list maintained at the national level pursuant to subsection (c)(1)(A)(ii) to the position to which such individual was appointed.

(5) Except as expressly provided, nothing in this section shall be construed as conferring upon local school boards, authority over, or control of, educators.

(e)(1) In prescribing regulations to govern the discharge and conditions of employment of educators, the Secretary shall require—

(A) that procedures be established for the rapid and equitable resolution of grievances of educators;

(B) that no educator may be discharged without notice of the reasons therefore and opportunity for a hearing under procedures that comport with the requirements of due process; and

(C) educators employed in Bureau schools shall be notified sixty days prior to the end of the school year whether their employment contract will be renewed for the coming year.

(2) The supervisor of a Bureau school may discharge (subject to procedures established under paragraph (1)(B) for cause (as determined under regulations prescribed by the Secretary) any educator employed in such school. Upon giving notice of proposed discharge to an educator, the supervisor involved shall immediately notify the local school board for the school of such action. A determination by the local school board that such educator shall not be discharged shall be followed by the supervisor. The supervisor shall have the right to appeal such action to the superintendent for education of the appropriate agency office of the Bureau. Upon such an appeal, the agency superintendent for education may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

(3) Each local school board for a Bureau school shall have the right (A) to recommend to the supervisor of such school that an educator employed in the school be discharged, and (B) to recommend to the superintendent of education of the appropriate agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

(f)(1) Notwithstanding any provision of the Indian preference laws, such laws shall not apply in the case of any personnel action within the purview of this section respecting an applicant or employee not entitled to Indian preference if each tribal organization concerned grants, in writing, a waiver of the application of such laws with respect to such personnel action, where such a waiver is in writing deemed to be a necessity by the tribal organization, except that this shall in no way relieve the Bureau of its responsibility to issue timely and adequate announcements and advertisements concerning any such personnel action if it is intended to fill a vacancy (no matter how such vacancy is created).

(2) For purposes of this subsection, the term "tribal organization" means—

(A) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized community, including a Native village (as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c); 85 Stat. 688)); or

(B) in connection with any personnel action referred to in this subsection, any local school board as defined in section 1139, and which has been delegated by such governing body the authority to grant a waiver under such subsection with respect to such personnel action.

(3) The term "Indian preference laws" means section 12 of the Act of June 18, 1934 (25 U.S.C. 472; 48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions, except that such term shall not be considered to include section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b); 88 Stat. 2295).

(g) Subject to the authority of the Civil Service Commission to determine finally the applicability of chapter 51 of title 5, United States Code, to specific positions and employees in the executive branch, the Secretary shall determine in accordance with subsection (a)(1) the applicability or inapplicability of such chapter to positions and employees in the Bureau.

(h)(1)(A) Except as otherwise provided in this section, the Secretary shall fix the basic compensation or annual salary rate for educators and education positions at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 is applicable or on the basis of the Federal Wage System schedule in effect for the locality.

(B) By no later than October 28, 1988, the Secretary shall establish, for contracts for the 1991–1992 academic year, and thereafter, the rates of basic compensation, or annual salary rates, for the positions of teachers and counselors (including dormitory counselors and home-living counselors) at the rates of basic compensation applicable (on the date of enactment of such Amendments and thereafter) to comparable positions in overseas schools under the Defense Department Overseas Teachers Pay and Personnel Practices Act, unless the Secretary establishes such rates within such 6-month period through collective bargaining with the appropriate union representative of the education employees that is recognized by the Bureau.

(C) By no later than October 28, 1988, the Secretary shall establish the rates of basic compensation or annual salary rates for the

positions of teachers and counselors (including dormitory and home-living counselors)—

(i) for contracts for the 1989–1990 academic year, at rates which reflect 1/3 of the changes in the rates applicable to such positions on April 28, 1988, that must be made to conform the rates to the rates established under subparagraph (B) for such positions for contracts for the 1991–1992 academic year, and

(ii) for contracts for the 1990–1991 academic year, at rates which reflect 2/3 of such changes.

(D) The establishment of rates of basic compensation and annual salary rates by the Secretary under subparagraphs (B) and (C) shall not preclude the use of regulations and procedures used by the Bureau before the enactment of the Indian Education Amendments of 1988 in making determinations regarding promotions and advancements through levels of pay that are based on the merit, education, experience, or tenure of the educator.

(E)(i) Except as provided in clause (ii), the establishment of rates of basic compensation and annual salary rates by the Secretary under subparagraphs (B) and (C) shall not affect the continued employment or compensation of an educator who was employed in an education position on October 31, 1979, and who did not make the election under paragraph (2) of subsection (o).

(ii) Any individual described in clause (i) may, during the 5-year period beginning on the date on which the Secretary establishes rates of basic compensation and annual salary rates under subparagraph (B), make an irrevocable election to have the basic compensation rate or annual salary rate of such individual determined in accordance with this paragraph.

(iii) If an individual makes the election described in clause (ii), such election shall not affect the application to the individual of the same retirement system and leave system that applies to the individual during the fiscal year preceding the fiscal year in which such election is made, except that the individual must use leave accrued during a contract period by the end of that contract period.

(F) The President shall include with the budget submitted under section 1105 of title 31, United States Code, for each of the fiscal years 1990, 1991, and 1992 a written statement by the Secretary which specifies—

(i) the amount of funds the Secretary needs to pay basic compensation and the annual salaries of educators for such fiscal year, and

(ii) the amount of funds the Secretary estimates would be needed to pay basic compensation and the annual salaries of educators for such fiscal year if the amendments made to this paragraph by the Indian Education Amendments of 1988 had not been enacted.

(2) Each educator employed in an education position in Alaska shall be paid a cost-of-living allowance equal to 25 per centum of the rate of basic compensation to which such educator is entitled.

(3)(A) The Secretary may pay a postdifferential not to exceed 25 per centum of the rate of basic compensation, on the basis of conditions of environment or work which warrant additional pay as a recruitment and retention incentive.

(B)(i) Upon the request of the supervisor and the local school board of a Bureau school, the Secretary shall grant the supervisor of the school authorization to provide 1 or more post differentials under subparagraph (A) unless the Secretary determines for clear and convincing reasons (and advises the board in writing of those reasons) that certain of the requested post differentials should be disapproved or decreased because there is no disparity of compensation for the involved employees or positions in the Bureau school, as compared with the nearest public school, that is either—

(I) at least 5 percent, or

(II) less than 5 percent and affects the recruitment or retention of employees at the school.

The request under this subparagraph shall be deemed granted as requested at the end of the 60th day after the request is received in the Central Office of the Bureau unless before that time it is approved, approved with modification, or disapproved by the Secretary.

(ii) The Secretary or the supervisor of a Bureau school may discontinue or decrease a post differential authorized by reason of this subparagraph at the beginning of a school year after either—

(I) the local school board requests that it be discontinued or decreased, or

(II) the Secretary or the supervisor determines for clear and convincing reasons (and advises the board in writing of those reasons) that there is no disparity of compensation that would affect the recruitment or retention of employees at the school after the differential is discontinued or decreased.

(iii) On or before February 1 of each year, the Secretary shall submit to Congress a report describing the requests and grants of authority under this subparagraph during the previous fiscal year and listing the positions contracted under those grants of authority.

(i) Any individual—

(1) who on the date of enactment of this Act is holding a position which is determined under subsection (f) to be an education position and who elects under subsection (o)(2) to be covered under the provisions of this section, or

(2) who is an employee of the Federal Government or the municipal government of the District of Columbia and is transferred, promoted, or reappointed, without break in service, from a position under a different leave system to an education position,

shall be credited for the purpose of the leave system provided under regulations prescribed pursuant to subsection (b)(10), with the annual and sick leave to his credit immediately before the effective date of such election, transfer, promotion, or reappointment.

(j) Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or accrued under regulations prescribed pursuant to subsection (b)(10) shall not be so liquidated.

(k) In the case of any educator who is transferred, promoted, or reappointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to

the credit of such person earned or credited under the regulations prescribed pursuant to subsection (b)(10) shall be transferred to his credit in the employing agency on an adjusted basis in accordance with regulations which shall be prescribed by the Civil Service Commission.

(l) An educator who voluntarily terminates employment with the Bureau before the expiration of the existing employment contract between such educator and the Bureau shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

(m) In the case of any educator employed in an education position described in subsection (n)(1)(A) who—

(1) is employed at the close of a school year,

(2) agrees in writing to serve in such a position for the next school year, and

(3) is employed in another position during the recess period immediately preceding such next school year, or during such recess period receives additional compensation referred to in subsection (g)(2) or (g)(3), section 5533 of title 5, United States Code, relating to dual compensation, shall not apply to such educator by reason of any such employment during a recess period for any such receipt of additional compensation.

(n) For the purpose of this section—

(1) The term education position means a position in the Bureau the duties and responsibilities of which—

(A) are performed on a school-year basis principally in a Bureau school and involve—

(i) classroom or other instruction or the supervision or direction of classroom or other instruction;

(ii) any activity (other than teaching) which requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor's degree in education from an accredited institution of higher education;

(iii) any activity in or related to the field of education notwithstanding that academic credits in educational theory and practice are not a formal requirement for the conduct of such activity; or

(iv) support services at, or associated with, the site of the school; or

(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs other than the position for agency superintendent for education.

(2) The term educator means an individual whose services are required, or who is employed, in an education position.

(o)(1) Subsections (a) through (n) of this section apply to an educator hired after November 1, 1979 (and to an educator who elected application under paragraph (2)) and to the position in which such individual is employed. Subject to paragraph (2), the enactment of this Act shall not affect the continued employment of an individual employed on October 31, 1979 in an education position, or such individual's right to receive the compensation attached to such position.

(2) Any individual employed in an education position on October 31, 1979, may, not later than November 1, 1983, make an irrevocable election to be covered under the provisions of subsection (a) through (n) of this section.

(p)(1) An educator who was employed in an education position on October 31, 1979, who was eligible to make an election under paragraph (2) of subsection (o) at that time, and who did not make the election under paragraph (2) of subsection (o), may not be placed on furlough (within the meaning of section 7511(a)(5) of title 5, United States Code) without the consent of such educator for an aggregate of more than 4 weeks within the same calendar year, unless—

(A) the supervisor, with the approval of the local school board (or of the agency superintendent for education upon appeal under paragraph (2)), of the Bureau school at which such educator provides services determines that a longer period of furlough is necessary due to an insufficient amount of funds available for personnel compensation at such school, as determined under the financial plan process as determined under section 1129(b) of this Act, and

(B) all educators (other than principals and clerical employees) providing services at such Bureau school are placed on furloughs of equal length, except that the supervisor, with the approval of the local school board (or of the agency superintendent for education upon appeal under paragraph (2)), may continue 1 or more educators in pay status if (i) they are needed to operate summer programs, attend summer training sessions, or participate in special activities including (but not limited to) curriculum development committees, and (ii) they are selected based upon their qualifications, after public notice of the minimum qualifications reasonably necessary and without discrimination as to supervisory, nonsupervisory, or other status of the educators who apply.

(2) The supervisor of a Bureau school may appeal to the appropriate agency superintendent for education any refusal by the local school board to approve any determination of the supervisor that is described in paragraph (1)(A) by filing a written statement describing the determination and the reasons the supervisor believes such determination should be approved. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the superintendent may, for good cause, approve the determination of the supervisor. The superintendent shall transmit the determination of such appeal in the form of a written opinion to such local school board and to the supervisor identifying the reasons for approving such determination.

SEC. 6713. MANAGEMENT INFORMATION SYSTEM.

The Secretary shall establish within the Office, within 1 year after the date of the enactment of the Indian Education Amendments of 1984, a computerized management information system, which shall provide information to the Office. Such information shall include but shall not be limited to—

(1) student enrollment;

(2) curriculum;

(3) staff;

(4) facilities;

(5) community demographics;

(6) student assessment information; and

(7) information on the administrative and program costs attributable to each Bureau program, divided into discreet elements.

SEC. 6714. BUREAU EDUCATION POLICIES.

Within 180 days of the date of enactment of this Act, the Secretary shall develop, publish in the Federal Register, and submit to all agency and area offices of the Bureau, all tribal governments, and the appropriate committees of the Congress, a draft set of education policies, procedures, and practices for education-related action of the Bureau. The Secretary shall, within 1 year of the date of enactment of this Act, provide that such uniform policies, procedures, and practices shall be finalized and promulgated. Thereafter, such policies, procedures, and practices and their periodic revisions, shall serve as the foundation for future Bureau actions in education.

SEC. 6715. UNIFORM EDUCATION PROCEDURES AND PRACTICES.

The Secretary shall cause the various divisions of the Bureau to formulate uniform procedures and practices with respect to such concerns of those divisions as relate to education, and shall report such practices and procedures to the Congress.

SEC. 6716. RECRUITMENT OF INDIAN EDUCATORS.

The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employees from within the Bureau. Such plan shall include opportunities for acquiring work experience prior to actual work assignment.

SEC. 6717. ANNUAL REPORT.

(a) The Secretary shall submit to each appropriate committee of the Congress a detailed annual report on the state of education within the Bureau and any problems encountered in the field of education during the year. Such report shall contain suggestions for improving the Bureau educational system and increasing local Indian control of such system. Such report shall also include the current status of tribally controlled community colleges. The annual budget submission for the Bureau's education programs shall, among other things, include (1) information on the funds provided previously private schools under section 208 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458d; 88 Stat. 2216) and recommendations with respect to the future use of such funds; (2) the needs and costs of operation and maintenance of tribally controlled community colleges eligible for assistance under the Tribally Controlled Community College Assistance Act of 1978 (92 Stat. 1325; 25 U.S.C. 1801 et seq.) and recommendations with respect to meeting such needs and costs; and (3) the plans required by section 1121(f), and 1122(c); and 1125(b) of this Act (25 U.S.C. 2001(f), 2002(c), and 2005(b)).

(b) The Inspector General of the Department of the Interior shall establish a system to ensure that financial and compliance audits are conducted of each Bureau school at least once in every three years. Audits of Bureau schools shall be based upon the extent to

which such school has complied with its local financial plan under section 1129.

SEC. 6718. RIGHTS OF INDIAN STUDENTS.

Within six months of the date of enactment of this Act, the Secretary shall prescribe such rules and regulations as are necessary to insure the constitutional and civil rights of Indian students attending Bureau schools, including, but not limited to, their right to privacy under the laws of the United States, their right to freedom of religion and expression and their right to due process in connection with disciplinary actions, suspensions, and expulsions.

SEC. 6719. REGULATIONS.

Regulations required to be adopted under sections 6706 through 6718 and any revisions of the standards developed under section 6701 or 6702 of this Act shall be deemed rules of general applicability prescribed for the administration of an applicable program for the purposes of section 431 of the General Education Provisions Act and shall be promulgated, submitted for congressional review, and take effect in accordance with the provisions of such section. Such regulations shall contain, immediately following each substantive provision of such regulations, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

SEC. 6720. DEFINITIONS.

For the purpose of this part—

(1) the term "agency school board" means a body, the members of which are appointed by the school boards of the schools located within such agency, and the number of such members shall be determined by the Secretary in consultation with the affected tribes, except that, in agencies serving a single school, the school board of such school shall fulfill these duties;

(2) the term "Bureau" means the Bureau of Indian Affairs of the Department of the Interior;

(3) the term "Bureau funded school" means—

(A) a Bureau school;

(B) a contract school; or

(C) a school for which assistance is provided under the Tribally Controlled Schools Act of 1988;

(4) the term "Bureau school" means a Bureau operated elementary or secondary day or boarding school or a Bureau operated dormitory for students attending a school other than a Bureau school;

(5) the term "contract school" means an elementary or secondary school or a dormitory which receives financial assistance for its operation under a contract or agreement with the Bureau under section 102, 103(a), or 208 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f, 450h(a), and 458d);

(6) the term "education line officer" means education personnel under the supervision of the Director, whether located in central, area, or agency offices;

(7) the term "financial plan" means a plan of services to be provided by each Bureau school;

(8) the term "grant school" means a school which is provided assistance under the Tribally Controlled Schools Act of 1988;

(9) the term "Indian organization" means any group, association, partnership, corporation, or other legal entity owned or controlled by a federally recognized Indian tribe or tribes, or a majority of whose members are members of federally recognized Indian tribes;

(8) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State, and includes any State agency which directly operates and maintains facilities for providing free public education;

(9) the term "local school board", when used with respect to a Bureau school, means a body chosen in accordance with the laws of the tribe to be served or, in the absence of such laws, elected by the parents of the Indian children attending the school, except that in schools serving a substantial number of students from different tribes, the members shall be appointed by the governing bodies of the tribes affected; and the number of such members shall be determined by the Secretary in consultation with the affected tribes;

(10) the term "Office" means the Office of Indian Education Programs within the Bureau;

(11) the term "Secretary" means the Secretary of the Interior;

(12) the term "supervisor" means the individual in the position of ultimate authority at a Bureau school; and

(13) the term "tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

SEC. 6721. VOLUNTARY SERVICES.

Notwithstanding section 1342 of title 31, United States Code, the Secretary may, subject to the approval of the local school board concerned, accept voluntary services on behalf of Bureau schools. Nothing in this title shall be construed to require Federal employees to work without compensation or to allow the use of volunteer services to displace or replace Federal employees. An individual providing volunteer services under this section is a Federal employee only for purposes of chapter 81 of title 5, United States Code, and chapter 171 of title 28, United States Code.

SEC. 6722. PRORATION OF PAY.

(a) Notwithstanding any other provision of law, including laws relating to dual compensation, the Secretary, at the election of the employee, shall prorate the salary of an employee employed in an education position for the academic school-year over the entire twelve month period. Each educator employed for the academic school-year shall annually elect to be paid on a twelve month basis or for those months while school is in session. No educator shall suf-

fer a loss of pay or benefits, including benefits under unemployment or other Federal or federally-assisted programs, because of such election.

(b) During the course of such year the employee may change election once.

(c) That portion of the employee's pay which would be paid between academic school years may be paid in lump sum at the election of the employee.

(d) For the purposes of this section the terms educator and education position have the meaning contained in section 6712(n)(1) and (n)(2) of this title. This section applies to those individuals employed under the provisions of section 6712 of this title or title 5, United States Code.

SEC. 6723. EXTRACURRICULAR ACTIVITIES.

(a) Notwithstanding any other provision of law, the Secretary may provide, for each Bureau area, a stipend in lieu of overtime premium pay or compensatory time off. Any employee of the Bureau who performs additional activities to provide services to students or otherwise support the school's academic and social programs may elect to be compensated for all such work on the basis of the stipend. Such stipend shall be paid as a supplement to the employee's base pay.

(b) If an employee elects not to be compensated through the stipend established by this section, the appropriate provisions of title 5, United States Code, shall apply.

(c) This section applies to all Bureau employees, whether employed under section 6712 of this title or title 5, United States Code.

SEC. 6724. EARLY CHILDHOOD DEVELOPMENT PROGRAM.

(a) The Secretary shall provide grants to tribes, tribal organizations, and consortia of tribes and tribal organizations to fund early childhood development programs that are operated by such tribes, organizations, or consortia.

(b)(1) The total amount of the grants provided under subsection (a) with respect to each tribe, tribal organization, or consortium of tribes or tribal organizations for each fiscal year shall be equal to the amount which bears the same relationship to the total amount appropriated under the authority of subsection (f) for such fiscal year (less amounts provided under subsection (e)) as—

(A) the total number of children under 6 years of age who are members of—

(i) such tribe,

(ii) the tribe that authorized such tribal organization, or

(iii) any tribe that—

(I) is a member of such consortium, or

(II) authorizes any tribal organization that is a member of such consortium, bears to

(B) the total number of all children under 6 years of age who are members of any tribe that—

(i) is eligible to receive funds under subsection (a),

(ii) is a member of a consortium that is eligible to receive such funds, or

(iii) authorizes a tribal organization that is eligible to receive such funds.

(2) No grant may be provided under subsection (a)—

(A) to any tribe that has less than 500 members,

(B) to any tribal organization which is authorized—

(i) by only 1 tribe that has less than 500 members, or

(ii) by 1 or more tribes that have a combined total membership of less than 500 members, or

(C) to any consortium composed of tribes, or tribal organizations authorized by tribes, that have a combined total tribal membership of less than 500 members.

(c)(1) A grant may be provided under subsection (a) to a tribe, tribal organization, or consortia of tribes and tribal organizations only if the tribe, organization or consortia submits to the Secretary an application for the grant at such time and in such form as the Secretary shall prescribe.

(2) Applications submitted under paragraph (1) shall set forth the early childhood development program that the applicant desires to operate.

(d) The early childhood development programs that are funded by grants provided under subsection (a)—

(1) shall coordinate existing programs and may provide services that meet identified needs of parents and children under 6 years of age which are not being met by existing programs, including—

(A) prenatal care,

(B) nutrition education,

(C) health education and screening,

(D) educational testing, and

(E) other educational services,

(2) may include instruction in the language, art, and culture of the tribe, and

(3) shall provide for periodic assessment of the program.

(e) The Secretary shall, out of funds appropriated under the authority of subsection (f), include in the grants provided under subsection (a) amounts for administrative costs incurred by the tribe or tribal organization in establishing and maintaining the early childhood development program.

(f) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $5,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

SEC. 6725. TRIBAL DEPARTMENTS OF EDUCATION.

(a) Subject to the availability of appropriations, the Secretary shall provide grants and technical assistance to tribes for the development and operation of tribal departments of education for the purpose of planning and coordinating all educational programs of the tribe.

(b) Grants provided under this section shall—

(1) be based on applications from the governing body of the tribe,

(2) reflect factors such as geographic and population diversity,

(3) facilitate tribal control in all matters relating to the education of Indian children on Indian reservations and on former Indian reservations in Oklahoma,

(4) provide for the development of coordinated educational programs on Indian reservations (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) by encouraging tribal administrative support of all Bureau funded educational programs as well as encouraging tribal cooperation and coordination with all educational programs receiving financial support from State agencies, other Federal agencies, or private entities,

(5) provide for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable to curriculum, personnel, students, facilities, and support programs, and

(6) otherwise comply with regulations for grants under section 103(a) of the Indian Self-Determination and Educational Assistance Act (25 U.S.C. 450h) that are in effect on the date application for such grants are made.

(c)(1) In approving and funding applications for grants under this section, the Secretary shall give priority to any application that—

(A) includes assurances from the majority of Bureau funded schools located within the boundaries of the reservation of the applicant that the tribal department of education to be funded under this section will provide coordinating services and technical assistance to all of such schools, including (but not limited to) the submission to each applicable agency of a unified application for funding for all of such schools which provides that—

(i) no administrative costs other than those attributable to the individual programs of such schools will be associated with the unified application, and

(ii) the distribution of all funds received under the unified application will be equal to the amount of funds provided by the applicable agency to which each of such schools is entitled under law,

(B) includes assurances from the tribal governing body that the tribal department of education funded under this section will administer all contracts or grants (except those covered by the other provisions of this title and the Tribally Controlled Community College Assistance Act of 1978) for education programs administered by the tribe and will coordinate all of the programs to the greatest extent possible,

(C) includes assurances for the monitoring and auditing by or through the tribal department of education of all education programs for which funds are provided by contract or grant to ensure that the programs meet the requirements of law, and

(D) provides a plan and schedule for—

(i) the assumption over the term of the grant by the tribal department of education of all assets and functions of the Bureau agency office associated with the tribe, insofar as those responsibilities relate to education, and

(ii) the termination by the Bureau of such operations and office at the time of such assumption,

but when mutually agreeable between the tribal governing body and the Assistant Secretary, the period in which such assump-

tion is to occur may be modified, reduced, or extended after the initial year of the grant.

(2) Subject to the availability of appropriated funds, grants provided under this section shall be provided for a period of 3 years and the grant may, if performance by the grantee is satisfactory to the Secretary, be renewed for additional 3-year terms.

(d) The Secretary shall not impose any terms, conditions, or requirements on the provision of grants under this section that are not specified in this section.

(e) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

SEC. 6726. PAYMENTS.

(a)(1) Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in 2 payments:

(A) one payment to be made no later than July 1 of each year in an amount equal to one-half of the amount which the grantee was entitled to receive during the preceding academic year, and

(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made no later than December 1 of each year.

(2) For any school for which no payment was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made no later than December 1 of the academic year.

(3) With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which they are appropriated, the Secretary shall make payments to grantees no later than December 1 of the fiscal year.

(4) The provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.) shall apply to the payments required to be made by paragraphs (1), (2), and (3) of this subsection.

(b) Paragraph (3) is amended by striking Paragraphs (1) and (2) and inserting in lieu thereof Paragraphs (1), (2), and (3), and is renumbered as paragraph (5).

TITLE VII—BILINGUAL EDUCATION PROGRAMS

SEC. 7001. SHORT TITLE.

This title may be cited as the "Bilingual Education Act".

SEC. 7002. FINDINGS, POLICY, AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) language-minority Americans constitute a large and growing proportion of the Nation's population;

(2) language-minority Americans speak virtually all world languages plus many that are indigenous to the United States;

(3) the presence of language-minority Americans is related in part to Federal immigration policies;

(4) many language-minority Americans are limited in their English proficiency, and many have limited education and income;

(5) limited-English-proficient children and youth, like all other children and youth, have diverse educational needs and strengths and therefore require access to all educational programs and services;

(6) the Federal Government has a responsibility for the education of American Indians and a special obligation to Native Alaskans, Native Hawaiians and native residents of the territories and freely associated nations to redress the effect of past Federal policies;

(7) institutions of higher education can assist in preparing teachers, administrators and other school personnel to understand and build upon the educational strengths and needs of language-minority and culturally diverse student enrollments;

(8) it is the purpose of this title to help ensure that limited-English-proficient students master English and develop high levels of academic attainment in content areas;

(9) quality bilingual education programs enable children and youth to learn English and meet high academic standards including proficiency in more than one language;

(10) as the world becomes increasingly interdependent and as international communication becomes a daily occurrence in government, business, commerce, and family life, multilingual skills constitute an important national resource which deserves protection and development;

(11) educational technology has the potential for improving the education of language-minority and limited-English-proficient students and their families, and the Federal Government should foster this development;

(12) research, development, implementation and dissemination of effective bilingual education methods, practices, and programs for limited-English-proficient children are essential to systemwide school reform that improves education for all children; and

(13) a recognized means by which a child learns is through the use of the child's native language, cultural heritage, and instructional programs which use and build upon a child's non-English native language and cultural heritage to promote parent and community involvement in education, student self-esteem, proficiency in English, and subject matter achievement.

(b) POLICY.—The Congress declares it to be the policy of the United States, in order to ensure equal educational opportunity for all children and youth and to promote educational excellence, to assist State and local educational agencies, institutions of higher education, and community-based organizations to build their capacity to establish, implement, and sustain programs of instruction for language minority and limited-English-proficient children and youth.

(c) PURPOSE.—The purpose of this title is to educate language minority and limited-English-proficient children and youth to meet the same rigorous standards for academic performance expected of all

children and youth, including meeting challenging State performance standards in academic areas by developing—

(1) systemic improvement and reform of educational programs serving language-minority and limited-English-proficient students through the development and implementation of exemplary bilingual education programs and special alternative instruction programs;

(2) data collection and dissemination, research, materials development, and technical assistance which is focused on school improvement for language-minority and limited-English-proficient students; and

(3) programs which strengthen and improve the professional training of educational personnel who work with limited-English-proficient and language-minority students.

SEC. 7003. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For the purpose of carrying out the provisions of this title (except part F), there are authorized to be appropriated $215,000,000 for the fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(b) DISTRIBUTION.—From the sums appropriated under subsection (a) for any fiscal year, the Secretary shall reserve at least 25 percent for part C of this title.

SEC. 7004. DEFINITIONS; REGULATIONS.

(a) GENERAL RULE.—For purposes of this title—

(1) The term "native language", when used with reference to an individual, means the language normally used by such individuals, or, in the case of a child, the language normally used by the parents of the child.

(2) The term "language-minority" means—

(A) individuals whose native language is other than English;

(B) individuals who usually speak a language other than English or come from home environments where a language other than English is usually spoken; or

(C) American Indians, Alaskan Natives, and Native Hawaiians and native residents of the territories and freely associated nations.

(3) The term "limited-English-proficient" means a language-minority person who has difficulty understanding, speaking, reading, or writing the English language at a level appropriate to his or her age and grade and is, thereby, academically disadvantaged in programs conducted exclusively in English.

(4) The term "bilingual education" refers to educational programs for limited-English-proficient students which make instructional use of both English and a student's native language. Programs of bilingual education must enable limited-English-proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking, so as to meet age-appropriate grade-promotion and graduation standards in concert with national education goals. Bilingual education programs may also develop the native language skills of limited-English-proficient students, or ancestral languages of American Indians, Alaskan

Natives, Native Hawaiians and native residents of the territories and freely associated nations. English proficient students may participate in bilingual education programs if the programs are designed to enable all enrolled students to become proficient in English and a second language.

(5) The term "special alternative instructional program" refers to educational programs for limited-English-proficient students which utilize specially designed English language curricula and services but do not use the student's native language for instructional purposes. Special alternative instructional programs must enable limited-English-proficient students to achieve English proficiency and academic mastery of subject matter content and higher order skills, including critical thinking so as to meet age-appropriate grade-promotion and graduation standards in concert with national education goals. Special alternative instructional programs are suitable for schools where the diversity of the limited-English-proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical and where there is a critical shortage of bilingual education teachers.

(6) The term "family education programs" refers to bilingual education or special alternative instructional programs designed to help limited-English-proficient adults and out-of-school youths achieve proficiency in the English language and to provide instruction on how parents and family members can facilitate the educational achievement of their children. When feasible, instructional programs such as the model developed under the Even Start Literacy Programs that promote adult literacy and train parents to support the educational growth of their children shall be developed. Programs shall give preference to participation by parents and immediate family members of children attending school. Family education programs may also provide instruction to facilitate higher education and employment outcomes.

(7) The term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965.

(8) The term "Office" means the Office of Bilingual Education and Minority Languages Affairs.

(9) The term "community college" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 for an institution which provides not less than a 2-year program which is acceptable for full credit toward a bachelor's degree, including institutions receiving assistance under the Tribally Controlled Community College Assistance Act of 1978.

(10) The term "paraprofessional" means an individual who is employed in preschool or elementary or secondary school under the supervision of a certified or licensed teacher, including individuals employed in bilingual education, special education and migrant education.

(11) The term "other programs for persons of limited-English-proficiency" means any programs administered by the Secretary that serve persons of limited-English-proficiency.

(12) The term "community-based organization" means a private nonprofit organization or Indian tribe or tribally sanctioned educational authority which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community. The term "community-based organization" includes Native Hawaiian organizations (including Native Hawaiian education organizations) as defined in section 4009 of Public Law 100–297).

(13) The term "children and youth" means individuals aged 3 through 21.

(14) The term "immigrant children and youth" means individuals who—

(A) are aged 3 through 21;

(B) were not born in any State; and

(C) have not been attending 1 or more schools in any 1 or more States for more than 2 full academic years.

(b) REGULATION RULE.—In developing regulations under this title, the Secretary shall consult with State and local educational agencies, organizations representing limited-English-proficient individuals, and organizations representing teachers and other personnel involved in bilingual education.

(c) PARENTAL NOTIFICATION.—Parents of children and youth participating in programs assisted under this title shall be informed of—

(1) a student's level of English proficiency, how it was assessed, the status of a student's academic achievement and the implications of a student's educational strengths and needs for age and grade appropriate academic attainment, promotion, and graduation;

(2) what programs are available to meet the student's educational strengths and needs and how the programs differ in content and instructional goals, and in the case of a disabled student, how the program meets the objectives of a student's individualized education program;

(3) the instructional goals of the bilingual education or special alternative instructional program, and how the program will specifically help the limited-English-proficient student acquire English and meet age-appropriate standards for grade-promotion and graduation, including—

(A) the benefits and nature of the bilingual educational program and of the instructional alternatives; and

(B) the reasons for the selection of their child as being in need of bilingual education.

(4)(A) Parents shall also be informed that they have the option of declining enrollment of their children and youth in such programs and shall be given an opportunity to do so if they so choose.

(B) Local educational agencies are not relieved of any of their obligations under title VI of the Civil Rights Act of 1964 because parents choose not to enroll their children in bilingual education programs.

(5) Parents must receive, in a manner and form understandable to them, including, if necessary and to the extent feasible,

in their native language, the information required by this subsection. At a minimum, parents must receive—

(A) timely information about projects funded under this part; and

(B) if the parents of participating children so desire, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations from such parents.

(6) no action may involve the admission or exclusion of students to or from any federally assisted education program merely on the basis of the surnames or language-minority status of such students.

SEC. 7005. INDIAN AND ALASKAN NATIVE CHILDREN IN SCHOOLS.

(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this title for individuals served by elementary, secondary, or postsecondary schools operated predominately for Indian or Alaska Native children and youth, an Indian tribe, a tribally sanctioned educational authority, or an elementary or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency as such term is used in this title, subject to the following qualifications:

(1) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) The term "tribally sanctioned educational authority" means—

(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; or

(B) any nonprofit institution or organization that is—

(i) chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee the delivery of educational services to members of that tribe; and

(ii) approved by the Secretary for the purpose of this section.

(b) BUREAU OF INDIAN AFFAIRS SCHOOLS.—From the sums appropriated pursuant to section 7003, the Secretary is authorized to make payments to applicants to carry out programs of bilingual education or special alternative instruction for Indian children served by elementary and secondary schools operated or funded by the Bureau of Indian Affairs.

(c) ANNUAL REPORT.—(1) The Assistant Secretary of the Interior for the Bureau of Indian Affairs in collaboration with the Secretary shall submit to the Congress, the President, and the Secretary, by September 30 of each year, a report which provides—

(A) an assessment of the educational outcomes and needs of Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including tribes and local educational agencies receiving assist-

ance under the Johnson-O'Malley Act and the Native American Languages Act; and

(B) an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

(2) The results presented in this report shall be included in the report under section 7041 of this Act.

(3) The assessments required under this subsection shall be waived if such assessments duplicate similar assessment requirements under other Federal or tribal laws.

SEC. 7006. RESIDENTS OF THE TERRITORIES AND FREELY ASSOCIATED NATIONS.

For the purpose of carrying out programs under this title in Guam and the freely associated nations, the term "local educational agency" shall include public institutions or agencies whose mission is the preservation and maintenance of native languages.

PART A—BILINGUAL EDUCATION CAPACITY AND DEMONSTRATION GRANTS

SEC. 7101. PURPOSE OF GRANTS.

Grants under this part shall be used to develop the capacity of local educational agencies, institutions of higher education, and community-based organizations which provide educational programs to initiate, develop, enhance or improve bilingual education or special alternative instruction programs for children and youth of limited-English-proficiency.

SEC. 7102. PROGRAM DEVELOPMENT AND IMPLEMENTATION GRANTS.

(a) PURPOSE.—The purpose of this section is to develop and implement new comprehensive, coherent, and successful bilingual education or special alternative instructional programs for limited-English-proficient students including programs of early childhood education, K–12 education, gifted and talented education, and vocational and applied technology education.

(b) PROGRAM AUTHORIZED.—

(1) The Secretary is authorized to make program development and implementation grants of up to $100,000 annually for 3 years with 1 additional year upon the Secretary's approval.

(2) Grants approved under this section shall be used to improve the education of limited-English-proficient students and their families by—

(A) developing and implementing comprehensive preschool, elementary, or secondary bilingual education or special alternative instructional programs that are coordinated with other relevant programs and services to meet the full range of educational needs of limited-English-proficient students; and

(B) providing in service training to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of language-minority and limited-English-proficient students.

(3) Grants approved under this section may be used to improve the education of limited-English-proficient students and their families by—

(A) implementing family education programs and activities; and

(B) improving the instructional program for limited-English-proficient students by upgrading curriculum, instructional materials, and assessment procedures and, if appropriate, applying educational technology.

(c) ELIGIBLE ENTITIES.—A grant may be made under this section only upon application by one or more local educational agencies, applying alone or in collaboration with an institution of higher education, community-based organization or local or State educational agency. A grant may also be made under this section upon application by a community-based organization which is agreed to by the local educational agency to develop and implement early childhood education or family education programs or to conduct an instructional program which supplements the educational services provided by a local educational agency.

(d) DISTRIBUTION.—The Secretary shall, to the extent practicable, award grants equally among early childhood education, elementary education, and secondary education programs.

SEC. 7103. PROGRAM ENHANCEMENT PROJECTS.

(a) PURPOSE.—The purpose of this section is to carry out highly focused, innovative, locally designed projects to expand or enhance existing bilingual education or special alternative instructional programs for limited-English-proficient students.

(b) PROGRAM AUTHORIZED.—

(1) The Secretary is authorized to make program enhancement project grants of up to $100,000 for 2 years to eligible applicants.

(2) Grants approved under this section shall be used for providing in-service training to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of language-minority and limited-English-proficient students.

(3) Grants approved under this section may be used for—

(A) improving the instructional program for limited-English-proficient students by upgrading curriculum, instructional materials, and assessment procedures and, if appropriate, applying educational technology;

(B) implementing family education programs and activities; and

(C) providing intensified instruction.

(c) ELIGIBLE ENTITIES.—A grant may be made under this section only upon application by one or more local educational agencies, applying alone or in collaboration with an institution of higher education, community-based organization or local or State educational agency. A grant also may be made under this section upon application by a community-based organization which is agreed to by the local educational agency to enhance early childhood education or family education programs or to conduct an instructional project which supplements the educational services provided by a local educational agency.

SEC. 7104. WHOLE-SCHOOL PROGRAMS.

(a) PURPOSE.—The purpose of this section is to provide financial assistance to eligible applicants to reform, restructure, and upgrade all relevant programs and operations within an individual school to fulfill the comprehensive educational needs of all of a school's limited-English-proficient students and their families.

(b) PROGRAM AUTHORIZED.—

(1) The Secretary is authorized to make 5-year grants of up to $100,000 for the first year and up to $250,000 for each of the subsequent 4 years to eligible applicants.

(2) Grants approved under this section shall be used to improve education of limited-English-proficient students and their families by reviewing, restructuring, and upgrading in-service training for all school staff and, if appropriate, for community-based organization personnel.

(3) Grants approved under this section may be used to improve the education of limited-English-proficient students and their families by reviewing, restructuring, and upgrading—

(A) the school's instructional program for limited-English-proficient students including curriculum, instructional materials, and assessment systems, and, if appropriate, the application of educational technology;

(B) family education programs and activities; and

(C) intensified instruction.

(4) During the first year of the grant, a priority is established in use of funds for preparatory activities including planning, training, curriculum development, and materials acquisition or development.

(c) ELIGIBLE ENTITIES.—A grant may be made under this section only upon application by one or more local educational agencies, applying alone or in collaboration with an institution of higher education, community-based organizations or local or State educational agency.

SEC. 7105. SYSTEM-WIDE IMPROVEMENT GRANTS.

(a) PURPOSE.—The purpose of this section is to provide financial assistance to improve, reform, and upgrade relevant programs and operations with an entire local educational agency to fulfill the comprehensive educational needs of all the agency's limited-English-proficient students and, to the extent feasible, their families.

(b) PROGRAM AUTHORIZED.—

(1) The Secretary is authorized to make 5-year grants of up to $1,000,000 for the first year and up to $5,000,000 for each of the subsequent 4 years to eligible applicants.

(2) Grants approved under this section may be used during the first 12 months exclusively for activities preparatory to the delivery of services.

(3) Grants approved under this section may be used to improve education of limited-English-proficient students and their families by reviewing, restructuring, and upgrading—

(A) educational goals, curriculum guidelines and content, standards and assessments;

(B) personnel policies and practices including recruitment, certification, staff development, and assignment;

(C) student grade-promotion and graduation requirements;

(D) student assignment policies and practices;

(E) program delivery standards, management information and accountability systems;

(F) instructional and extracurricular programs and services; and

(G) application of educational technology.

(c) ELIGIBLE ENTITIES.—A grant may be made under this section only upon application by one or more local educational agencies, applying alone or in collaboration with an institution of higher education, community-based organization or local or State educational agency.

(d) PRIORITY.—The Secretary shall give priority to applications from—

(1) applicants which enroll a large percentage or large number of limited-English-proficient students; and

(2) consortia of eligible applicants to serve limited-English-proficient students in rural and linguistically isolated settings.

SEC. 7106. APPLICATIONS.

(a) SUBMISSION.—To receive a grant under this part, applicants shall submit an application to the Secretary in such form and containing such information as the Secretary may require:

(1) An application for a grant under this part shall be developed in consultation with, and shall provide for the continuing involvement of, an advisory council which shall be composed of representatives responsible for implementing grant activities and of parents and other relatives of the children to be served in such programs; parents shall comprise a majority of all council members.

(2) All applicants for grants under this part, except for those applicants identified in section 7005, shall submit a copy of the application to the relevant State educational agency. The State educational agency may submit to the Secretary written comments on the application with respect to how the applications further State education improvement plans including any developed under Goals 2000: Educate America Act (if such plans exist) or title I of this Act. If the State educational agency of a State submits written comments on any application, it must submit written comment on all applications within that same grant category from within that State. The Secretary shall take comments into consideration when funding applications under this part.

(b) REQUIRED DOCUMENTATION.—Such application shall include documentation that the applicant has the qualified personnel required to develop, administer, and implement the proposed program.

(c) CONTENTS.—(1) An application for a grant under this part shall contain the following:

(A) A description of the need for the proposed program, including data on the number of children and youth of limited-English-proficiency in the school or district to be served and their characteristics, such as language spoken, dropout rates, proficiency in English and the native language, academic

standing in relation to their English proficient peers, and, where applicable, the recency of immigration.

(B) A description of the program to be implemented and how its design—

(i) relates to the linguistic and academic needs of the children and youth of limited-English-proficiency to be served;

(ii) is consistent with, and promotes the goals in, the local educational agency plan under title III of the Goals 2000: Educate America Act, if such plan exists, and the local educational agency's plan under title I of this Act, particularly as those plans relate to the education of children and youth of limited-English-proficiency;

(iii) involves the parents of the children and youth of limited-English-proficiency to be served;

(iv) ensures accountability in the expected student outcomes; and

(v) promotes coordination of services for the children and youth of limited-English-proficiency to be served and their families.

(C) A description, if appropriate, of the applicant's collaborative activities with institutions of higher education, community-based organizations, local or State educational agencies, private schools, nonprofit organizations, or businesses in carrying out the proposed program.

(D) An assurance that the applicant will not reduce the level of State and local funds that it expends for bilingual education or special alternative instruction programs if it receives an award under this part.

(E) A budget for grant funds.

(2) An application for a grant under section 7102 or 7104 shall also contain a description of the instructional program, student services, in-service training, and family education programs to be provided under the grant.

(3) An application for a grant under section 7103 shall also contain the following:

(A) A description of the existing bilingual education or special alternative instruction program which the project is designed to enhance.

(B) A description of the proposed project activities.

(4) An application for a grant under section 7105 shall also contain a description of the activities which would be carried out under the grant.

(d) APPROVAL OF APPLICATIONS.—An application for a grant under this part may be approved only if the Secretary determines that—

(1) the program will use qualified personnel, including those personnel who are proficient in the language or languages used for instruction;

(2) in designing the program for which application is made, the needs of children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in

the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type that the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public school children;

(3) student evaluation and assessment procedures in the program are valid, reliable, and fair for limited-English-proficient students, and that limited-English-proficient students who are disabled are identified and served in accordance with the requirements of the Individuals with Disabilities Education Act;

(4) Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of such Federal funds, would have been expended for special programs for children of limited-English-proficient individuals and in no case to supplant such State and local funds, except that nothing in this paragraph shall preclude a local educational agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children;

(5) the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of students of limited-English-proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this title is reduced or no longer available;

(6) the applicant provides for utilization of the State and national dissemination sources for program design and in dissemination of results and products.

(e) SPECIAL CONSIDERATION AND PRIORITIES.—

(1) Students may participate in any program receiving funds under this part for the duration of the program.

(2) The Secretary shall give priority to applications which provide for the development of bilingual proficiency for all participating students.

(3) Grants for special alternative instructional programs shall not exceed 25 percent of the funds provided for any type of grant under any section or of total funds provided under this part.

(4) Notwithstanding paragraph (3), the Secretary may award grants for special alternative instructional programs if an applicant has demonstrated that they cannot develop and implement a bilingual education program for the following reasons:

(A) Where the diversity of the limited-English proficient students' native languages and the small number of students speaking each respective language makes bilingual education impractical.

(B) Where, despite documented convincing efforts, the applicant has not been able to hire instructional personnel

who are able to communicate in the students' native language.

(5) In approving applications under this part, the Secretary shall give consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local and State educational agency, or business.

(6) The Secretary shall ensure that projects funded under this part address the full needs of school systems of all sizes and geographical areas, including rural schools.

(7) The Secretary shall give priority to applications providing training for personnel participating in or preparing to participate in the program which will assist them in meeting State and local certification requirements and that, to the extent possible, college or university credit will be awarded for such training.

SEC. 7107. INTENSIFIED INSTRUCTION.

In carrying out this part, each grant recipient may intensify instruction for limited-English-proficient students by—

(1) expanding the educational calendar of the school in which such student is enrolled to include programs before and after school and during the summer months;

(2) expanding the use of professional and volunteer aids;

(3) applying technology to the course of instruction; and

(4) providing intensified instruction through supplementary instruction or activities, including educationally enriching extracurricular activities, during times when school is not routinely in session.

SEC. 7108. CAPACITY BUILDING.

Each recipient of a grant under this part shall use its grant in ways that will build its capacity to continue to offer high-quality bilingual and special alternative education programs and services to children and youth of limited-English-proficiency once Federal assistance is reduced or eliminated.

SEC. 7109. SUBGRANTS.

A local educational agency that receives a grant under this part may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out an approved program, including a program to serve out-of-school youth.

SEC. 7110. GEOGRAPHIC DISTRIBUTION OF FUNDS.

To the extent possible, the Secretary shall award funds under this part throughout the Nation in a manner that reflects the geographic distribution of children and youth of limited-English-proficiency.

SEC. 7111. PROGRAMS IN PUERTO RICO.

Programs authorized under this title in the Commonwealth of Puerto Rico may, notwithstanding any other provision of this title, include programs of instruction, teacher training, curriculum development, evaluation, and testing designed for children and youth of limited-Spanish proficiency.

SEC. 7112. EVALUATIONS.

(a) EVALUATION.—Each recipient of funds under this part shall provide the Secretary with an evaluation, in the form prescribed by the Secretary, of its program every two years.

(b) USE OF EVALUATION.—Such evaluation shall be used by a grantee—

(1) for program improvement;

(2) to further define the local program's goals and objectives; and

(3) to determine program effectiveness.

(c) EVALUATION COMPONENTS.—Evaluations shall include—

(1) student outcome indicators that measure progress toward the performance standards set out in the State's plan, either approved or being developed, under title III of the Goals 2000: Educate America Act, or, if the State does not have an approved plan under title III of the Goals 2000: Educate America Act and is not developing such a plan, with the State plan approved or being developed under section 1111 of this Act, including data comparing children and youth of limited-English-proficiency with non-limited-English-proficient children and youth with regard to school retention, academic achievement, and gains in English (and, where applicable, native language) proficiency;

(2) program implementation indicators that provide information for informing and improving program management and effectiveness, including data on appropriateness of curriculum in relationship to grade and course requirements, appropriateness of program management, appropriateness of the program's staff professional development, and appropriateness of the language of instruction;

(3) program context indicators that describe the relationship of the activities funded under the grant to the overall school program and other Federal, State, or local programs serving children and youth of limited-English-proficiency; and

(4) such other information as the Secretary may require.

PART B—RESEARCH AND DISSEMINATION

SEC. 7201. USE OF FUNDS.

The Secretary is authorized to conduct data collection, dissemination, research, and evaluation activities through the Office of Bilingual Education and Minority Languages Affairs for the purpose of improving bilingual education and special alternative instruction programs for children and youth of limited-English-proficiency.

SEC. 7202. RESEARCH.

(a) RESEARCH ACTIVITIES.—The Secretary shall support through competitive grants contracts and cooperative agreements to institutions of higher education, nonprofit and for-profit organizations, and local and State educational agencies, funds for research with a practical application to teachers, counselors, paraprofessionals, school administrators, parents, and others involved in improving the education of limited-English-proficient students and their families.

(b) AUTHORIZED ACTIVITIES.—

(1) The Secretary may conduct research activities that include—

(A) identifying criteria for the establishment, use and monitoring of local, State, or national education goals, content, performance and delivery standards, and assessments for all students that provide for appropriate, valid, reliable, and fair participation by limited-English-proficient and language-minority students;

(B) identifying determinants of appropriate high quality secondary school programs for limited-English-proficient students, and high quality curriculum-related instructional materials; and

(C) identifying determinants of appropriate high quality early childhood development programs for limited-English-proficient children, including families, and appropriate high quality materials.

(D) studies to identify models of effective program coordination that support students while in transition to English language classrooms that develop and maintain high levels of proficiency in the native languages and English;

(E) studies of effective curricula and instructional strategies for the development and maintenance of high levels of student proficiency in both their native language and English, including the role of family, community, and career contexts;

(F) identification of strategies for effective participation by limited-English-proficient parents in their children's education for attainment of educational excellence;

(G) identifying methods of improving classification, placement, and services to limited-English-proficient students including, but not limited to their participation in early childhood development programs, title I, special education, foreign language education, and gifted and talented education;

(H) identification of methods for effective delivery of bilingual education to rural schools and in the less-commonly-taught languages using educational technology and electronic communications networks;

(I) identification of trends in demand for language skills and of career opportunities for individuals with high levels of proficiency in English and a second language; and

(J) establishing through the National Center for Education Statistics and in consultation with the Office of Bilingual Education and Minority Languages Affairs, and experts in bilingual education, second language acquisition and English-as-a-second language, a common definition of "limited-English-proficient student" for purposes of national data collection.

(c) FIELD-INITIATED RESEARCH.—The Secretary shall reserve at least 5 percent of the funds available under this section for field-initiated research by current or recent recipients of grants under parts A or C of this title. Research must be conducted by current grant recipients or by former recipients who have received such grants within the previous 5 years. Field-initiated research may provide for

longitudinal studies of students or teachers in bilingual education, monitoring the education of such students from entry in bilingual education through high school completion. Applicants may submit an application for field-initiated research at the same time as applications are submitted under part A or part C. The Secretary shall complete a review of such applications on a timely basis to allow research and program grants to proceed in coordination where appropriate.

(d) CONSULTATION.—The Secretary shall consult with agencies and organizations that are engaged in bilingual education research and practice, or related research, and bilingual education researchers and practitioners to identify areas of study and activities to be funded under this section.

(e) COORDINATION.—Research activities supported under this section—

(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

(2) may include collaborative research activities which are jointly funded and carried out by the Office of Bilingual Education and Minority Language Affairs and the Office of Educational Research and Improvement.

(f) DATA COLLECTION.—The Secretary shall provide for the continuation of data collection on limited-English-proficient students as part of the data systems operated by the Department.

SEC. 7203. ACADEMIC EXCELLENCE AWARDS.

(a) AWARDS.—The Secretary may make grants to, and enter into contracts and cooperative agreements with, State and local educational agencies, nonprofit organizations, and institutions of higher education to promote the adoption and implementation of bilingual education, special alternative instruction programs, and professional development programs that demonstrate great promise of assisting children and youth of limited-English-proficiency to meet challenging State standards.

(b) APPLICATIONS.—(1) An entity desiring to receive an award under this section shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

(2) The Secretary shall use a peer review process, using effectiveness criteria that the Secretary shall establish, to review applications under this section.

(c) USE OF FUNDS.—Funds under this section shall be used to enhance the capacity of States and local education agencies to provide high quality academic programs for children and youth of limited-English-proficiency, which may include—

(1) completing the development of such programs;

(2) professional development of staff participating in bilingual education programs;

(3) sharing strategies and materials; and

(4) supporting professional networks.

(d) COORDINATION.—Recipients of funds under this section shall coordinate their activities with those carried out by comprehensive technical assistance centers under title II of this Act.

SEC. 7204. STATE GRANT PROGRAM.

(a) State Grant Program.—The Secretary is authorized to make an award to a State educational agency that demonstrates, to the satisfaction of the Secretary, that its approved plan under title III of the Goals 2000: Educate America Act, if such plan exists, or, if such plan does not exist, its plan under title I of this Act, effectively provides for the education of children and youth of limited-English-proficiency within the State.

(b) Payments.—The amount paid to a State educational agency under subsection (a) shall not be less than $100,000 nor greater than 5 percent of the total amount awarded to local educational agencies within the State under part A of this title for the previous fiscal year.

(c) Use of Funds.—(1) A State educational agency shall use funds for programs authorized by this section to—

(A) assist local educational agencies in the State with program design, capacity building, assessment of student performance, and program evaluation; and

(B) collect data on the State's language-minority and limited English-proficient populations and the educational programs and services available to these populations.

(2) The State educational agency may also use funds for the training of State educational agency may also use funds for the training of State educational agency personnel in educational issues affecting limited-English-proficient children and youth.

(3) Recipients of awards under this section shall not restrict the provision of services under this section to federally-funded programs.

(d) State Consultation.—A State educational agency receiving funds under this section shall consult with recipients of grants under this title and other individuals or organizations involved in the development or operation of programs serving limited-English-proficient children or youth to ensure that funds are used in a manner consistent with the requirements of this title.

(e) Applications.—A State educational agency desiring to receive an award under this section shall submit an application to the Secretary in such form, at such time, containing such information and assurances as the Secretary may require.

(f) Supplement Not Supplant.—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase to level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

(g) Report to the Secretary.—State educational agencies receiving grants under this section shall provide for the annual submission of a summary report to the Secretary containing information on such matters as the Secretary shall, by regulation, determine necessary and proper to achieve the purposes of this title, including information on State capacity and progress in meeting the education needs of all limited-English-proficient children, plans for additional action, the effect of standards and assessments in improving their education. Such reports shall be in such form and shall

be submitted on such date as the Secretary shall specify by regulation.

SEC. 7205. NATIONAL CLEARINGHOUSE FOR BILINGUAL EDUCATION.

(a) ESTABLISHMENT.—The Secretary shall establish and support the operation of a National Clearinghouse for Bilingual Education, which shall collect, analyze, synthesize, and disseminate information about bilingual education and related programs.

(b) FUNCTIONS.—The National Clearinghouse for Bilingual Education shall—

(1) be administered as an adjunct clearinghouse of the ERIC system of clearinghouses supported by the Office of Educational Research and Improvement;

(2) coordinate its activities with Federal data and information clearinghouses and dissemination networks and systems; and

(3) develop a data base management and monitoring system for improving the operation and effectiveness of funded programs.

SEC. 7206. INSTRUCTIONAL MATERIALS DEVELOPMENT.

The Secretary may provide grants for the development, publication and dissemination of high quality instructional materials in Native American, Native Hawaiian and other languages for which instructional materials are not readily available. The Secretary shall give priority to the development of instructional materials in languages indigenous to the United States, its territories, and freely associated nations. The Secretary shall also accord priority to applications which provide for developing and evaluating materials in collaboration with activities under parts A and C of this title and which are consistent with national and State content standards.

SEC. 7207. EVALUATION ASSISTANCE CENTERS AND MULTIFUNCTIONAL RESOURCE CENTERS.

(a) TRANSITION.—The Secretary shall extend grants or contracts for Evaluation Assistance Centers and Multifunctional Resource Centers that are in effect on the date of enactment of the Improving America's School Act through fiscal year 1996.

(b) CONTINUITY OF SERVICES.—(1) The Secretary shall ensure that the comprehensive regional technical assistance centers authorized under title II of this Act provide services which are at least equal in volume, scope, and quality to those provided by Evaluation Assistance Centers and Multifunctional Resource Centers.

(2) The Secretary shall ensure that the comprehensive regional technical assistance centers authorized under title II of this Act, as amended by the Improving America's School Act, provide services which enable children and youth of limited-English-proficiency to meet challenging State and National standards.

(3) The Secretary shall ensure that the comprehensive technical assistance centers authorized under title II of this Act are established with consideration given to the geographic and linguistic distribution of children and youth of limited-English-proficiency.

(c) GIFTS, BEQUESTS, AND DEVISES.—The entities may accept (but not solicit), use, and dispose of gifts, bequests, or devises of services or property, both real and personal for the purpose of aiding or facilitating the work of entities under this section. Gifts, bequests, or

devises of money and proceeds from sales of other property received as gifts, bequests or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the national clearinghouse on bilingual education, the Evaluation and Assistance Center or Multifunctional Resource Center, respectively.

PART C—BILINGUAL EDUCATION TEACHER TRAINING

SEC. 7301. PURPOSE.

The purpose of this part is to assist in preparing educators to improve the delivery of educational services to language-minority and limited-English-proficient children and youth. This part supports the training of all educational personnel to serve more effectively limited-English-proficient students. The goal of this part is to provide for the training of not less than 50,000 teachers who meet professional preparation and certification standards for bilingual education teachers by the year 2000.

SEC. 7302. TRAINING FOR ALL TEACHERS PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide for the incorporation of courses and curricula on appropriate and effective instructional and assessment methodologies, strategies and resources specific to limited-English-proficient and language-minority students into education personnel preparation programs for teachers, counselors, administrators and other education personnel.

(b) AUTHORIZATION.—The Secretary shall award grants for up to 5 years to institutions of higher education, local educational agencies, and State educational agencies or to nonprofit organizations which have entered into consortia arrangements with one of such institutions, agencies, or organizations.

(c) PERMISSIBLE ACTIVITIES.—Activities conducted under this section may include the development of training programs in collaboration with training under titles I and II of this Act, the Head Start Act, and other relevant programs.

(d) PRIORITY.—The Secretary shall give priority to applications from institutions of higher education which currently operate, with full-time tenured faculty, programs to prepare educators and administrators to work with language-minority and limited-English-proficient students in bilingual education settings and from institutions of higher education which are attempting to start bilingual teacher training programs if such institutions demonstrate a significant commitment in financial and human resources, including cash and in-kind. The Secretary shall give special consideration to applications for such programs which provide training of secondary school teachers or early childhood development teachers. Such special consideration would not disallow the funding of applications for exemplary programs for the training of elementary school teachers.

SEC. 7303. BILINGUAL EDUCATION TEACHERS AND PERSONNEL GRANTS.

(a) PURPOSE.—The purpose of this section is to provide for degree programs to prepare new bilingual education teachers, administrators, counselors, and other educational personnel to meet high pro-

fessional standards for bilingual education teachers and to increase the availability of educators to provide high quality education limited-English-proficient students.

(b) AUTHORIZATION.—The Secretary shall award grants for up to 5 years to institutions of higher education in consortia with local or State educational agencies.

SEC. 7304. BILINGUAL EDUCATION CAREER LADDER PROGRAM.

(a) PURPOSE.—The purpose of this section is to upgrade the qualifications and skills of non-certified educational personnel, especially educational paraprofessionals, to meet high professional standards, including certification and licensure as bilingual education teachers and other educational personnel who serve limited-English-proficient students, through collaborative training programs operated by institutions of higher education and local and State educational agencies. Grants for programs under this section may also provide for collaborative programs operated by institutions of higher education and secondary schools which are designed to recruit and train secondary school students as bilingual education teachers and other educational personnel to serve limited-English-proficient students.

(b) AUTHORIZATION.—The Secretary shall award grants of up to 5 years for bilingual education career ladder programs to institutions of higher education applying in consortia with local or State educational agencies; consortia may include community-based organizations or professional education organizations.

(c) ACTIVITIES.—Grants funded under this section may—

(1) include the development of bilingual education career ladder program curricula appropriate to the needs of the consortium participants;

(2) provide assistance for stipends and costs related to tuition, fees and books for enrolling in courses required to complete degree and certification requirements as bilingual education teachers; and

(3) include programs to introduce secondary school students to careers in bilingual education teaching that are coordinated with other activities under this program.

(d) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications under this section which provide for—

(1) participant completion of baccalaureate and masters degree teacher education programs, certification and may include effective employment placement activities;

(2) development of teacher proficiency in English and a second language, including required demonstration of proficiency in the instructional use of English and a second language in classroom contexts;

(3) coordination with Trio, the Teacher Corps, National Community and Service Trust Act, Mini Corps, and other programs for the recruitment and retention of bilingual students in secondary and post-secondary programs to train as bilingual educators; and

(4) the applicant's contribution of additional student financial aid to participating students.

SEC. 7305. GRADUATE FELLOWSHIPS IN BILINGUAL EDUCATION PROGRAM.

(a) AUTHORIZATION.—The Secretary may award fellowships for masters, doctoral, and post-doctoral study related to instruction of children and youth of limited-English-proficiency in such areas as teacher training, program administration, research and evaluation, and curriculum development, and for the support of dissertation research related to such study. For fiscal year 1994 not less than 500 fellowships leading to a masters or doctorate degree shall be awarded under this section, rising each subsequent year of this authorization by not less than 50. The Secretary shall include information on the operation and the number of fellowships awarded under the fellowship program in the report required under section 7401 of this title.

(b) FELLOWSHIP REQUIREMENTS.—(1) Any person receiving a fellowship under this section shall agree to—

(A) work in an activity related to the program or in an activity such as those authorized under this title, including work as a bilingual education teacher, for a period of time equivalent to the period of time during which such person receives assistance under this title; or

(B) repay such assistance.

(2) The Secretary shall establish in regulations such terms and conditions for such agreement as the Secretary deems reasonable and necessary and may waive the requirement of paragraph (1) in extraordinary circumstances.

(c) The Secretary may give priority to institutions of higher education that demonstrate experience in assisting fellowship recipients find employment in the field of bilingual education.

SEC. 7306. APPLICATIONS.

(a) IN GENERAL.—Each applicant or consortium that desires to receive a grant under this part shall submit an application to the Secretary and the State educational agency or State board for higher education as appropriate, at such time and in such manner as the Secretary shall prescribe. The application shall demonstrate integration, where appropriate, with the State and local plans, if such plans exist, for serving limited-English-proficient students. The State and local educational agency, and where applicable the State board for higher education, may comment in writing on the application indicating how the application furthers State education reform activities, including the provision of appropriate high quality education to all language minority students. If the State educational agency or State Board for Higher Education submits comments on any application, it shall submit comments on all. The Secretary shall take any written comments that have been made into consideration when considering applications under this part.

(b) ELIGIBLE ENTITIES.—

(1) A grant may be made under this part upon application of an institution of higher education, applying individually or jointly with one or more local educational agencies, nonprofit organizations, or State educational agencies.

(2) The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible under title III of the Higher Education Act and institutions of higher edu-

cation that are operated or funded by the Bureau of Indian Affairs to facilitate their participation in activities under this part.

(3) In making grants under this part, the Secretary shall, consistent with subsection (d), ensure adequate representation of Hispanic serving institutions that demonstrate competence and experience in the programs and activities authorized under this title and are otherwise qualified.

(c) APPLICATION REQUIREMENTS FOR BILINGUAL TEACHER TRAINING PROGRAMS.—The application shall demonstrate integration, where appropriate, with the State plan, if one exists, for serving limited-English-proficient students.

(d) PREFERENCE IN ASSISTANCE AND PURPOSE OF TRAINING.—

(1) In making a grant under this part the Secretary shall give preference to programs which—

(A) include tenured faculty in bilingual education, and

(B) and for institutions of higher education which are attempting to start bilingual teacher training programs if such institutions demonstrate a significant commitment in financial and human resources, including cash and in-kind.

(C) provide additional resources for such training from other sources.

(2) In making grants under sections 7302, 7303 and 7304, the Secretary shall give special consideration to programs that ensure that individuals completing such programs demonstrate proficiency in English and a second language.

SEC. 7307. PROGRAM REQUIREMENTS.

Activities conducted under this part shall assist educational personnel in meeting State and local certification requirements for bilingual education and, wherever possible, shall award college or university credit.

SEC. 7308. STIPENDS.

The Secretary shall provide for the payment of such stipends (including allowances for subsistence and other expenses for such persons and their dependents), as the Secretary determines to be appropriate, to persons participating in training programs under this part.

SEC. 7309. PROGRAM EVALUATIONS UNDER PART C.

Each recipient of funds under part C of this title shall provide the Secretary with an evaluation of its program every two years. Such evaluation shall include data on—

(1) post-program placement of persons trained;

(2) how the training relates to the employment of persons served by the program;

(3) program completion; and

(4) such other information as the Secretary may require.

PART D—ADMINISTRATION

SEC. 7401. OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGE AFFAIRS.

(a) ESTABLISHMENT.—There shall be, in the Department of Education, an Office of Bilingual Education and Minority Languages Affairs through which the Secretary shall carry out functions relating to bilingual education.

(b) DIRECTOR.—(1) The Office shall be headed by a Director of Bilingual Education and Minority Languages Affairs, appointed by the Secretary, to whom the Secretary shall delegate all delegable functions relating to bilingual education. The Director shall also be assigned responsibility for recommending improvements and providing technical assistance to other Federal programs serving language-minority and limited-English-proficient students and their families and for assisting the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities which reflect the needs of language-minority and limited-English language proficient students.

(2) The Office shall be organized as the Director determines to be appropriate in order to carry out such functions and responsibilities effectively.

(3) The Secretary shall ensure that limited-English-proficient and language-minority students are included in ways that are valid, reliable and fair under all standards and assessment development conducted or funded by the Department.

(c) REPORT.—The Director shall prepare and, not later than February 1 of every other year, shall submit to Congress, the President, the Governors, and the clearinghouse a report on—

(1) the activities carried out under this title and their effectiveness in improving the education provided to limited-English-proficient children and youth;

(2) a critical synthesis of data reported by the States pursuant to section 7204;

(3) an estimate of the number of certified bilingual education personnel in the field and an estimate of the number of bilingual education teachers which will be needed for the succeeding 5 fiscal years;

(4) the major findings of research carried out under this title; and

(5) recommendations for further developing the capacity of our Nation's schools to educate effectively limited-English-proficient student.

(d) ASSESSMENT OF GATEWAY EDUCATION.—The Secretary shall prepare a report on the education of all students who reside near the United States border with Canada and Mexico or areas or communities which serve as a gateway for immigrants to the United States. Gateway communities shall include Hawaii, the Commonwealth of Puerto Rico, as well as the territories and freely associated nations. The report shall identify trends in student and out-of-school youth immigration trends, appropriate procedures for the international transfer of records, the language proficiency of students living in border and gateway areas, and opportunities for teacher exchange. Such efforts shall be coordinated with other ongo-

ing efforts in this area. A preliminary report on these issues shall be provided to the Congress not later than 2 years after the enactment of this Act. The final report including policy proposals for improvements in these areas shall be provided to Congress and the President not later than October 21, 1997.

(e) COORDINATION WITH RELATED PROGRAMS.—In order to maximize Federal efforts aimed at serving the educational needs of children and youth of limited-English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs serving language-minority and limited-English-proficient students that are administered by the Department of Education and other agencies. The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Agriculture, Attorney General and other relevant agencies to identify and eliminate barriers to appropriate coordination of programs that affect language-minority and limited-English-proficient students and their families. The Secretary shall provide for continuing consultation and collaboration between Office and relevant programs operated by the Department, including title I and other programs in this Act, in planning, contracts, providing joint technical assistance, providing joint field monitoring activities and in other relevant activities to ensure effective program coordination to provide high quality education opportunities to all language-minority and limited-English-proficient students. In no case shall such coordination at the local, State or Federal level permit funds under this title to be used in programs that do not provide bilingual education or special alternative instructional programs for the instruction of language-minority or limited-English-proficient students.

(f) The Secretary shall, to the extent feasible, ensure that all data collected shall include for the collection and reporting of data on limited-English-proficient students in all Departmental data keeping and with respect to all Federal education programs.

(g) STAFFING REQUIREMENTS.—The Secretary shall ensure that the Office of Bilingual Education and Minority Language Affairs is staffed with sufficient personnel trained or with experience in bilingual education to discharge effectively the provisions of this title.

(1) Notwithstanding section 403 of the Department of Education Organization Act, the Assistant Secretary may appoint not more than 7 additional employees to serve as staff without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(2) The employees appointed under paragraph (1) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, but shall not be paid a rate that exceeds the minimum rate of basic pay payable for GS–15 of the General Schedule.

(h) READING APPLICATIONS.—For the purpose of reading applications for competitive grants authorized under this title, the Secretary shall use persons who are not employees of the Federal Government and who are experienced and involved in bilingual education including teachers, researchers, and administrators of educational programs similar to those assisted under this title. Readers of applications for grants involving conservation of Indian lan-

guages and other indigenous language which are subject to loss shall include individuals with expertise in such programs. The Secretary shall solicit nominations for application readers from State directors of bilingual education, graduate programs of bilingual education, tribal organizations and professional associations and shall have readers serve for a period of 3 years.

(i) Publication of Proposals.—The Secretary shall publish and disseminate all requests for proposals for programs funded under this title.

SEC. 7402. RELEASE TIME.

Professional development programs funded under this Act shall permit use of funds for professional release time to enable participation in programs assisted under this part.

SEC. 7403. EDUCATION TECHNOLOGY.

Funds available under this Act may be used to provide for the acquisition or development of education technology or instructional materials, including authentic materials in languages other than English, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs such as those funded under this title.

SEC. 7404. NOTIFICATION.

The State educational agency, when applicable, the State Board for postsecondary education, when applicable, the clearinghouse, the applicable Evaluation and Assistance Center and Multifunctional Resource Center shall be notified within three working days of the date a grant is made to an eligible entity within the State.

SEC. 7405. CONTINUED ELIGIBILITY.

Entities receiving grants under this title shall remain eligible for grants for subsequent activities which extend or expand and do not duplicate those activities supported by a previous grant under this title. In considering applications for grants under this title the Secretary shall take into consideration the applicant's record of accomplishments under previous grants.

SEC. 7406. LIMITATION OF AUTHORITY.

The Secretary shall not impose restrictions on the availability of funds authorized under this title other than those set out in this title or other applicable Federal statutes and regulations.

PART E—TRANSITION

SEC. 7501. TRANSITION PROVISIONS.

Any grant or contract awarded under this title prior to the date of the enactment of the Improving America's Schools Act of 1994 shall be allowed to continue the term of the original award in accordance with the conditions of the original award but not for a period in excess of 3 years from the date of the grant or contract.

PART F—EMERGENCY IMMIGRANT EDUCATION PROGRAM

SEC. 7601. PURPOSE.

The purpose of this part is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration to—

(1) provide high-quality instruction to immigrant children and youth; and

(2) help such children and youth—

(A) with their transition into American society; and

(B) meet the same challenging State performance standards expected of all children and youth.

SEC. 7602. STATE ADMINISTRATIVE COSTS.

For any fiscal year, a State educational agency may reserve up to 1.5 percent of the amount allocated to it under section 7604 to pay the costs of performing its administrative functions under this part.

SEC. 7603. WITHHOLDING.

Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirement of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

SEC. 7604. STATE ALLOCATIONS.

(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1995 through 1999 for the purpose set forth in section 7601.

(b) ALLOCATIONS.—(1) Except as provided in subsections (c) and (d) of this section, of the amount appropriated for each fiscal year for this part, each State participating in this program shall receive a share equal to the proportion of its number of immigrant children and youth who are enrolled in elementary and secondary public schools under the jurisdiction of each local educational agency described in paragraph (2) within that State, and in elementary and secondary nonpublic schools within the district served by each such local educational agency, relative to the total number of immigrant children and youth so enrolled in all the States participating in this program.

(2) The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children and youth who are enrolled in elementary or secondary public schools under the jurisdiction of such agencies,

and in elementary or secondary nonpublic schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

(A) at least 500; or

(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year;

whichever number is less.

(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—(1) Determinations by the Secretary under this section for any period with respect to the number of immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimate are clearly erroneous.

(2) No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allocation under this section that such agency would otherwise have received had such determination been made on the basis of accurate data.

(d) REALLOCATION.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount of carrying out such purpose. Any amount made available to a State from any appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

(e) RESERVATION OF FUNDS.—(1) If appropriations under this part exceed $40,000,000 for a fiscal year, a State educational agency may reserve up to 20 percent of its payment for redistribution through competitive grants to local educational agencies within the State in the following manner:

(A) At least one-half of such grants shall be made to local educational agencies within the State with the highest numbers and percentages of immigrant children and youth.

(B) Remaining funds shall be distributed to local educational agencies within the State with a sudden influx of immigrant children and youth which are otherwise not eligible for assistance under this part.

(2) Local educational agencies with the highest number of immigrant children and youth receiving additional funds under this subsection may make information available on serving immigrant children and youth to areas in the State with sparse numbers of such children.

SEC. 7605. STATE APPLICATIONS.

(a) SUBMISSION.—No State educational agency shall receive any payment under this part for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner,

and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

(2) provide assurances that payments under this part will be used for purposes set forth in section 7601, including a description of how local educational agencies receiving funds under this part will use such funds to meet such purposes, and how the program designs are consistent with other education improvement plans, including any developed under Goals 2000: Educate America Act, if such plan exists, or title I;

(3) provide assurances that such payments, with the exception of payments reserved under section 7604(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 7604(b)(1);

(4) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

(5) provide for making such reports as the Secretary may reasonably require to perform the functions under this part;

(6) provide assurances—

(A) that to the extent consistent with the number of immigrant children and youth enrolled in the elementary or secondary nonpublic schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of these children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

(B) that the control of funds provided under this part and title to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such elementary or secondary nonpublic school and of any religious organization; and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds;

(7) provide that funds reserved under subsection (e) of section 7604 be awarded on the basis of merit and need consistent with such subsection; and

(8) provide an assurance that State and local educational agencies receiving funds under this part will comply with the requirements of section 1121(b).

SEC. 7606. PAYMENTS.

(a) AMOUNT.—The Secretary shall pay by not later than June 1 of each year to each State educational agency that has its application approved under section 7605 the amount of the State's allocation as determined under section 7604.

(b) SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 7605(a)(6), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this part. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

SEC. 7607. USES OF FUNDS.

(a) USE OF FUNDS.—Funds awarded under this part shall be used to pay for enhanced instructional opportunities for immigrant children and youth, which may include—

(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

(2) salaries of personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

(4) identification and acquisition of curricular materials, educational software, and technologies to be used in the program; and

(5) such other activities, related to the purposes of this part, as the Secretary may authorize.

(b) CONSORTIA.—A local educational agency that receives a grant under this part may collaborate or form a consortium with one or more local educational agencies, institutions of higher education, and non-profit organizations to carry out the approved program.

(c) SUBGRANTS.—A local educational agency that receives a grant under this part may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a non-profit organization, or a consortium of such entities to carry out an approved program, including a program to serve out-of-school youth.

SEC. 7608. REPORTS.

(a) TRIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, once every 3 years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency re-

ceiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

(b) Report to Congress.—The Secretary shall submit, once every 3 years, a report to the appropriate committees of the Congress concerning programs under this part.

SEC. 7609. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out the provisions of this part, there are authorized to be appropriated $40,000,000 in fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

TITLE VIII—IMPACT AID

SEC. 8001. FINDINGS.

The Congress finds that—

(1) certain activities of the Federal Government place a financial burden on the local educational agencies serving areas where such activities are carried out; and

(2) it is the shared responsibility of the Federal Government, the States, and local educational agencies to provide for the education of children connected to those activities.

SEC. 8002. PURPOSE.

In order to fulfill the Federal responsibility to assist with the provision of educational services to federally connected children, and to help them meet challenging State standards, it is the purpose of this title to provide financial assistance to local educational agencies that—

(1) experience a substantial and continuing financial burden due to the acquisition of real property by the United States;

(2) educate children who reside on Federal property and whose parents are employed on Federal property;

(3) educate children of parents who are in the military services and children who live in low-rent housing;

(4) experience sudden and substantial increases in enrollments because of military realignments; or

(5) need special assistance with capital expenditures for construction activities because of the enrollments of substantial numbers of children who reside on Indian lands or who are defined in sections 2 and 3 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 631 et seq.).

SEC. 8003. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

(a) In General.—Where the Secretary, after consultation with any local educational agency and with the appropriate State educational agency, determines for a fiscal year ending prior to October 1, 1999—

(1) that the United States owns Federal property in the local educational agency, and that such property—

(A) has been acquired by the United States since 1938;

(B) was not acquired by exchange for other Federal property in the local educational agency which the United States owned before 1939; and

(C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 percent or more of the assessed value of all real property in the local educational agency (similarly determined as of the time or times when such Federal property was so acquired);

(2) that the ownership by the United States of such Federal property places a substantial and continuing financial burden on such agency; and

(3) that such agency is not being substantially compensated for the loss in revenue resulting from such ownership by increases in revenue accruing to the agency from the conduct of Federal activities with respect to such Federal property,

then such agency shall be entitled to receive for such fiscal year such amount as, in the judgment of the Secretary, is equal to the continuing Federal responsibility for the additional financial burden with respect to current expenditures placed on such agency by the ownership of such Federal property.

(b) AMOUNT.—

(1) IN GENERAL.—The amount to which a local educational agency is entitled to receive under subsection (a) for a fiscal year—

(A) shall not exceed—

(i) the amount which, in the judgment of the Secretary, such agency would have derived in such year, and would have had available for current expenditures, from the property acquired by the United States; and

(ii) the amount which is equal to the difference of—

(I) the maximum amount that such agency is eligible to receive for such fiscal year under section 8004(b)(1)(C); and

(II) the amount that such agency receives in such fiscal year under section 8004(b)(2); and

(B) shall be reduced by the Secretary by an amount equal to the amount of revenue, if any, that such agency received from activities conducted on such property during the previous year.

(2) APPLICATION OF CURRENT LEVIED REAL PROPERTY TAX RATE.—In making a determination of the amount that would have been derived in such year under paragraph (1)(A)(i), the Secretary shall apply the current levied real property tax rate for current expenditures levied by fiscally independent local educational agencies or imputed, for fiscally dependent local educational agencies, to the current annually determined aggregate assessed value of such acquired Federal property.

(3) DETERMINATION OF AGGREGATE ASSESSED VALUE.—Such aggregate assessed value of such acquired Federal property shall be determined (on the basis of the highest and best use of property adjacent to such acquired Federal property as of the time such value is determined), and provided to the Secretary, by the local official responsible for assessing the value of real property located in the jurisdiction of such local educational agency for the purpose of levying a property tax.

(c) Applicability to Tennessee Valley Authority Act.—For the purposes of this section, any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933 shall not be regarded as Federal property.

(d) Ownership by United States.—The United States shall be deemed to own Federal property for the purposes of this Act, where—

(1) prior to the transfer of Federal property, the United States owned Federal property meeting the requirements of subparagraphs (A), (B), and (C) of subsection (a)(1); and

(2) the United States transfers a portion of the property referred to in paragraph (1) to another nontaxable entity, and the United States—

(A) restricts some or any construction on such property;

(B) requires that the property be used in perpetuity for the public purposes for which it was conveyed;

(C) requires the grantee of the property to report to the Federal government (or its agent) containing information on the use of the property;

(D) except with the approval of the Federal government (or its agent), prohibits the sale, lease, assignment, or other disposal of the property unless such sale, lease, assignment, or other disposal is to another eligible government agency; and

(E) reserves to the Federal government a right of reversion at any time the Federal government (or its agent) deems it necessary for the national defense.

SEC. 8004. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) Computation of Payment.—

(1) In general.—For the purpose of computing the amount that a local educational agency is eligible to receive under subsection (b) or (f) for any fiscal year, the Secretary shall determine the number of children who were in average daily attendance in the schools of such agency, and for whom such agency provided free public education, during the preceding school year and who, while in attendance at such schools—

(A) resided on Federal property and had a parent employed on Federal property situated in whole or in part within the boundaries of the school district of such agency;

(B) resided on Federal property and had a parent on active duty in the uniformed services (as defined in section 101 of title 37, United States Code);

(C) resided on Indian lands;

(D) had a parent on active duty in the uniformed services (as defined by section 101 of title 37, United States Code) but did not reside on Federal property; or

(E) resided in low-rent housing.

(2) Determination of weighted student units.—For purposes of computing the basic support payment under subsection (b), the Secretary shall calculate the total number of weighted student units for a local educational agency by adding together the results obtained by the following computations:

(A) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) who are not eligible to receive services under the Individuals With Disabilities Education Act (20 U.S.C. 1400 et seq.) by a factor of 1.0.

(B) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) who are eligible to receive services under such Act by a factor of 1.50.

(C) Multiply the number of children described in paragraph (1)(C) who are not eligible to receive services under such Act by a factor of 1.25.

(D) Multiply the number of children described in paragraph (1)(C) who are eligible to receive services under such Act by a factor of 1.825.

(E) Multiply the number of children described in subparagraphs (D) and (E) of paragraph (1) who are not eligible to receive services under such Act by a factor of .25.

(F) Multiply the number of children described in subparagraphs (D) and (E) of paragraph (1) who are eligible to receive services under such Act by a factor of .375.

(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(1) BASIC SUPPORT PAYMENTS.—

(A) IN GENERAL.—From the amount appropriated under section 8013(b) for a fiscal year, the Secretary is authorized to make basic support payments to eligible local educational agencies with children described under subsection (a).

(B) ELIGIBILITY.—A local educational agency shall be entitled to receive a basic support payment under subparagraph (A) for a fiscal year with respect to a number of children determined under subsection (a) only if the number of children so determined with respect to such agency amounts to the lesser of—

(i) at least 400 such children, or

(ii) a number of such children which equals at least 3 percent of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education.

(C) MAXIMUM AMOUNT.—The maximum amount that a local educational agency is eligible to receive under this subsection for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2), multiplied by—

(i) the greater of—

(I) one-half of the average per pupil expenditure of the State in which the local educational agency is located, or

(II) one-half of the average per pupil expenditures of all of the States, or

(ii) the comparable local contribution rate certified by the State, as determined under regulations pre-

scribed to carry out the Act of September 30, 1950 (Public Law 874, 81st Congress), as in effect on January 1, 1994.

(2) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

(A) IN GENERAL.—For any fiscal year in which the sums appropriated under section 8013(b) are insufficient to pay to each local educational agency the full amount computed under paragraph (1), the Secretary shall make payments based upon the provisions of this paragraph.

(B) LEARNING OPPORTUNITY THRESHOLD PAYMENTS.—For fiscal years described in subparagraph (A), the Secretary shall compute a learning opportunity threshold payment (hereinafter threshold payment) by multiplying the amount obtained under paragraph (1)(C) by the total percentage obtained by adding—

(i) the percentage of federally connected children for each local educational agency determined by calculating the fraction, the numerator of which is the total number of children described under subsection (a)(1) and the denominator of which is the total number of children in average daily attendance at the schools served by such agency; and

(ii) the percentage that funds under this paragraph represent of the total budget of the local educational agency, determined by calculating the fraction, the numerator of which is the total amount of funds calculated for each educational agency under this paragraph, and the denominator of which is the total current expenditures for such agency.

(C) RATABLE DISTRIBUTION.—For fiscal years described in subparagraph (A), the Secretary shall make payments as a ratable distribution based upon the computation made under subparagraph (B).

(c) PRIOR YEAR DATA.—All calculations under this title shall be based upon data for each local educational agency from the fiscal year preceding the fiscal year for which the agency is making application for payment.

(d) USE OF FUNDS FOR CHILDREN WITH DISABILITIES.—The local educational agency shall use an amount equal to the amount of funds generated by the factors in subparagraphs (B), (D), and (F) of subsection (a)(2) which are in excess of the factor of 1.0 applied to the amount of payments generated for each fiscal year applicable to the weighted student unit factor of 1.0 to provide a free appropriate public education to children described in subsection (a)(2), in accordance with part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(e) HOLD-HARMLESS AMOUNTS.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, the total amount that the Secretary shall pay to a local educational agency under subsections (b) and (f)—

(A) for fiscal year 1995, shall not be less than 80 percent of the payment such agency received for fiscal year 1994 under section 3(a) of the Act of September 30, 1950 (Public

Law 81–874, 81st Congress), as in effect for fiscal year 1994;

(B) for fiscal year 1996, shall not be less than 60 percent of such payment received for fiscal year 1994; and

(C) for fiscal year 1997, shall not be less than 40 percent of such payment received for fiscal year 1994.

(2) REDUCTION IN PAYMENTS.—In order to make payments to local educational agencies in accordance with paragraph (1), the Secretary shall reduce payments to other local educational agencies determined under subsection (b).

(f) SUPPLEMENTAL ASSISTANCE.—

(1) RESERVATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), from amounts appropriated under section 8013(b) for a fiscal year, the Secretary shall reserve not less than 6 percent to provide supplemental assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

(B) RESERVATION IN FISCAL YEARS WHEN AMOUNTS FROM PRIOR FISCAL YEAR RESERVATIONS AVAILABLE.—With respect to a fiscal year in which amounts are available from a reservation made by the Secretary under subparagraph (A) for a prior fiscal year, the Secretary shall, from amounts appropriated under section 8013(b) for the current fiscal year, reserve an amount which, when added to the amount available from such prior fiscal year reservation, equals not less than 6 percent of amounts appropriated under such section for such current fiscal year.

(C) AVAILABILITY.—Amounts reserved under subparagraph (A) are authorized to remain available until expended.

(2) ELIGIBILITY.—

(A) IN GENERAL.—A local educational agency shall be eligible to receive supplemental assistance under this subsection only if such agency—

(i)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 40 percent of the total student enrollment of such agency; and

(II) has a tax rate for general fund purposes which is at least 95 percent of the average tax rate for general fund purposes (before any State mandated tax rate reductions) of all local educational agencies in the State;

(ii)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 35 percent of the total student enrollment of such agency; and

(II) has a tax rate for general fund purposes which is at least 125 percent of the average tax rate for general fund purposes (before any State mandated tax rate reductions) of all local educational agencies in the State; or

(iii) is a local education agency whose boundaries are the same as a Federal military installation or includes Federal property under exclusive Federal jurisdiction.

(B) SPECIAL RULE.—If a local educational agency receives assistance under this subsection for 3 consecutive fiscal years because such agency satisfied the requirements of clause (i) or (ii) of subparagraph (A), then such agency shall be deemed to meet such requirements with respect to assistance under this subsection for each consecutive succeeding fiscal year in which such agency applies for assistance under this subsection.

(C) EXCLUSION OF REMAINING CASH BALANCES.—In determining eligibility under this paragraph, the Secretary shall exclude any cash balances of the local educational agency remaining at the end of the school year as allowed by State law.

(3) CURRENT YEAR DATA.—Notwithstanding subsection (c), the Secretary shall, for purposes of providing assistance under this subsection (or section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 81–874, 81st Congress), as in effect on October 1, 1993), use—

(A) data from the fiscal year in which the local educational agency is applying for assistance under this subsection; or

(B) the most recent data available which is adjusted to such fiscal year.

(4) APPLICATION PROCEDURES.—The Secretary shall prescribe regulations establishing procedures for the application for assistance by a local educational agency under this subsection.

(5) PROHIBITION ON STATE RESTRICTIONS WITH RESPECT TO ASSISTANCE.—A State shall not restrict the ability of a local educational agency to use assistance received by such agency under this subsection.

(6) PROHIBITION ON CONSIDERATION OF ASSISTANCE IN STATE AID CALCULATION.—Notwithstanding section 8009(b), a State shall not take into consideration any assistance received under this subsection in determining a State aid calculation for a local educational agency.

SEC. 8005. POLICIES AND PROCEDURES RELATING TO CHILDREN RESIDING ON INDIAN LANDS.

(a) IN GENERAL.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 shall establish policies and procedures to ensure that—

(1) such children participate in programs and activities supported by such funds on an equal basis with all other children;

(2) parents of such children and Indian tribes are afforded an opportunity to present their views on such programs and activities, including an opportunity to make recommendations on the needs of those children and how they may help those children realize the benefits of those programs and activities;

(3) parents and Indian tribes are consulted and involved in planning and developing such programs and activities;

(4) relevant applications, evaluations, and program plans are disseminated to the parents and Indian tribes; and

(5) parents and Indian tribes are afforded an opportunity to present their views on the agency's general educational program to such agency.

(b) RECORDS.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 shall maintain records demonstrating its compliance with requirements contained in subsection (a).

(c) WAIVER.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8004 is excused from the requirements contained in subsections (a) and (b) for any year with respect to any Indian tribe from which it has received a written statement that the agency need not comply with those subsections because the tribe is satisfied with the provision of educational services by such agency to such children.

(d) TECHNICAL ASSISTANCE AND ENFORCEMENT.—The Secretary shall—

(1) provide technical assistance to local educational agencies, parents, and Indian tribes to enable them to carry out this section; and

(2) enforce this section through such actions, which may include the withholding of funds, as the Secretary determines to be appropriate, after affording the affected local educational agency, parents, and Indian tribe an opportunity to present their views.

SEC. 8006. APPLICATION FOR PAYMENTS UNDER SECTIONS 8003 AND 8004.

(a) IN GENERAL.—A local educational agency desiring to receive a payment under section 8003 or 8004 shall—

(1) submit an application for such payment to the Secretary; and

(2) provide a copy of such application to the State educational agency.

(b) CONTENTS.—Each such application shall be submitted in such form and manner, and shall contain such information, as the Secretary may require, including—

(1) information to determine the eligibility of the local educational agency for a payment and the amount of such payment; and

(2) where applicable, an assurance that such agency is in compliance with section 8005 (relating to children residing on Indian lands).

(c) DEADLINE FOR SUBMISSION.—The Secretary shall establish deadlines for the submission of applications under this section.

(d) APPROVAL.—

(1) IN GENERAL.—The Secretary shall approve an application submitted under this section that—

(A) is filed by the deadline established under subsection (c); and

(B) otherwise meets the requirements of this title.

(2) REDUCTION IN PAYMENT.—The Secretary shall approve an application filed up to 60 days after a deadline established under subsection (c) that otherwise meets the requirements of this title, except that, notwithstanding section 8004(e), the Sec-

retary shall reduce the payment based on such late application by 10 percent of the amount that would otherwise be paid.

(3) LATE APPLICATIONS.—The Secretary shall not accept or approve any application that is filed more than 60 days after a deadline established under subsection (c).

SEC. 8007. PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE OF MILITARY DEPENDENTS.

(a) ELIGIBILITY.—A local educational agency is eligible for a payment under this section if—

(1) the number of children in average daily attendance during the current school year is at least ten percent or 100 more than the number of children in average daily attendance in the preceding school year; and

(2) the number of children in average daily attendance with a parent on active duty (as defined in section 101(18) of title 37, United States Code) in the Armed Forces who are in attendance at such agency because of the assignment of their parent to a new duty station between July 1 and September 30, inclusive, of the current year, as certified by an appropriate local official of the Department of Defense, is at least ten percent or 100 more than the number of children in average daily attendance in the preceding school year.

(b) APPLICATION.—A local educational agency that wishes to receive a payment under this section shall file an application with the Secretary by October 15 of the current school year, in such manner and containing such information as the Secretary may prescribe, including information demonstrating that it is eligible for such a payment.

(c) CHILDREN TO BE COUNTED.—For each eligible local educational agency that applies for a payment under this section, the Secretary shall determine the lesser of—

(1) the increase in the number of children in average daily attendance from the preceding year; and

(2) the number of children described in subsection (a)(2).

(d) PAYMENTS.—From the amount appropriated for a fiscal year under section 8013(c), the Secretary shall pay each local educational agency with an approved application an amount, not to exceed $200 per eligible child, equal to—

(1) the amount available to carry out this section, including any funds carried over from prior years, divided by the number of children determined under subsection (c) for all such local educational agencies; multiplied by

(2) the number of such children determined for that local educational agency.

(e) NOTIFICATION PROCESS.—

(1) ESTABLISHMENT.—The Secretary shall endeavor to establish, with the Secretary of Defense, a notification process relating to the closure of Department of Defense facilities, or the adjustment of personnel levels assigned to such facilities, which may substantially affect the student enrollment levels of local educational agencies which receive or may receive payments under this title.

(2) INFORMATION.—Such process shall provide timely information regarding such closures and such adjustments—

(A) by the Secretary of Defense to the Secretary; and

(B) by the Secretary to the affected local educational agencies.

SEC. 8008. FACILITIES.

(a) CURRENT FACILITIES.—From the amount appropriated for any fiscal year under section 8013(e), the Secretary may continue to provide assistance for school facilities that were supported by the Secretary under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 640) as in effect prior to the date of the enactment of the Improving America's Schools Act of 1994.

(b) TRANSFER OF FACILITIES.—

(1) IN GENERAL.—The Secretary shall, as soon as practicable, transfer to the appropriate local educational agency or another appropriate entity all the right, title, and interest of the United States in and to each facility provided under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress; 20 U.S.C. 640), or under section 204 or 310 of the Act of September 30, 1950 (Public Law 874, 81st Congress), as in effect on January 1, 1958.

(2) OTHER REQUIREMENTS.—Any such transfer shall be without charge to such agency or entity, and prior to such transfer, the transfer must be consented to by the local education agency or other appropriate entity, and may be made on such terms and conditions as the Secretary deems appropriate to carry out the purposes of this Act.

SEC. 8009. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

(a) GENERAL PROHIBITION.—Except as provided in subsection (b), a State may not—

(1) consider payments under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) in determining for any fiscal year—

(A) the eligibility of a local educational agency for State aid for free public education; or

(B) the amount of such aid; or

(2) make such aid available to local educational agencies in a manner that results in less State aid to any local educational agency that is eligible for such payment than it would receive if it were not so eligible.

(b) STATE EQUALIZATION PLANS.—

(1) IN GENERAL.—A State may reduce State aid to a local educational agency that receives a payment under section 8004 or under the Act of September 30, 1950 (Public Law 874, 81st Congress) as such Act existed prior to the enactment of the Improving America's Schools Act of 1994 (other than a payment under section 2 or an increase in payments described in paragraphs (2)(B), (2)(C), (2)(D), or (3)(B)(ii) of section 3(d)) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that such State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in such State.

(2) COMPUTATION.—

(A) IN GENERAL.—For purposes of paragraph (1), a program of State aid equalizes expenditures among local educational agencies if, in the second preceding fiscal year, the amount of per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the highest such per-pupil expenditures or revenues did not exceed the amount of such per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the lowest such expenditures or revenues by more than 10 percent.

(B) OTHER FACTORS.—In making a determination under this subsection, the Secretary shall—

(i) disregard local educational agencies with per-pupil expenditures or revenues above the 95th percentile or below the 5th percentile of such expenditures or revenues in the State; and

(ii) take into account the extent to which a program of State aid reflects the additional cost of providing free public education in particular types of local educational agencies, such as those that are geographically isolated, or to particular types of students, such as children with disabilities.

(3) EXCEPTION.—Notwithstanding paragraph (2), if the Secretary determines that the State has substantially revised its program of State aid, the Secretary may certify such program for any fiscal year only if—

(A) the Secretary determines, on the basis of projected data, that the State's program will meet the 10 percent disparity standard described in paragraph (2) in that fiscal year; and

(B) the State provides an assurance to the Secretary that, if final data do not demonstrate that the State's program met such standard for that year (or that it met such standard with a greater percentage of disparity than anticipated), the State will pay to each affected local educational agency the amount by which it reduced State aid to the local educational agency on the basis of such certification, or a proportionate share thereof, as the case may be.

(c) PROCEDURES FOR REVIEW OF STATE EQUALIZATION PLANS.—

(1) WRITTEN NOTICE.—

(A) IN GENERAL.—Any State that wishes to consider payments described in subsection (b)(1) in providing State aid to local educational agencies shall submit to the Secretary, not later than 120 days before the beginning of the State's fiscal year, a written notice of its intention to do so.

(B) CONTENTS.—Such notice shall be in the form and contain the information the Secretary requires, including evidence that the State has notified each local educational agency in the State of its intention to consider such payments in providing State aid.

(2) OPPORTUNITY TO PRESENT VIEWS.—Before making a determination under subsection (b), the Secretary shall afford the State, and local educational agencies in the State, an opportunity to present their views.

(3) QUALIFICATION PROCEDURES.—If the Secretary determines that a program of State aid qualifies under subsection (b), the Secretary shall—

(A) certify the program and so notify the State; and

(B) afford an opportunity for a hearing, in accordance with section 8011(a), to any local educational agency adversely affected by such certification.

(4) NON-QUALIFICATION PROCEDURES.—If the Secretary determines that a program of State aid does not qualify under subsection (b), the Secretary shall—

(A) so notify the State; and

(B) afford an opportunity for a hearing, in accordance with section 8011(a), to the State, and to any local educational agency adversely affected by such determination.

(d) REDUCTIONS OF STATE AID.—

(1) IN GENERAL.—A State whose program of State aid has been certified by the Secretary under subsection (c)(3) may reduce the amount of such aid provided to a local educational agency that receives a payment described in subsection (b)(1) by any amount up to—

(A) the amount of such payment; multiplied by

(B) 100 percent minus the percentage of disparity determined under subsection (b).

(2) PROHIBITION.—A State may not make a reduction described in paragraph (1) before its program of State aid has been certified by the Secretary under subsection (c)(3).

(e) REMEDIES FOR STATE VIOLATIONS.—

(1) IN GENERAL.—The Secretary or any aggrieved local educational agency may, without exhausting administrative remedies, bring an action in a United States district court against any State that violates subsection (a) or subsection (d)(2) or fails to carry out an assurance provided under subsection (b)(3)(B).

(2) IMMUNITY.—A State shall not be immune under the eleventh amendment to the Constitution of the United States from an action described in paragraph (1).

(3) RELIEF.—The court shall grant such relief as it determines is appropriate, which may include attorney's fees to a prevailing local educational agency.

SEC. 8010. FEDERAL ADMINISTRATION.

(a) PAYMENTS IN WHOLE DOLLAR AMOUNTS.—The Secretary shall round any payments under this title to the nearest whole dollar amount.

(b) OTHER AGENCIES.—Each Federal agency administering Federal property on which children reside, and each agency principally responsible for an activity that may occasion assistance under this title, shall, to the maximum extent practicable, comply with requests of the Secretary for information the Secretary may require to carry out this title.

SEC. 8011. ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.

(a) ADMINISTRATIVE HEARINGS.—A local educational agency and a State that is adversely affected by any action of the Secretary under this title shall be entitled to a hearing on such action in the

same manner as if such agency were a person under chapter 5 of title 5, United States Code.

(b) JUDICIAL REVIEW OF SECRETARIAL ACTION.—

(1) IN GENERAL.—A local educational agency or a State aggrieved by the Secretary's final decision following an agency proceeding under subsection (a) may, within 60 days after receiving notice of such decision, file with the United States court of appeals for the circuit in which such agency or State is located a petition for review of that action. The clerk of the court shall promptly transmit a copy of the petition to the Secretary. The Secretary shall then file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

(2) FINDINGS OF FACT.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) REVIEW.—The court shall have exclusive jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

SEC. 8012. DEFINITIONS.

For purposes of this title, the following definitions apply:

(1) ARMED FORCES.—The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps.

(2) AVERAGE PER-PUPIL EXPENDITURE.—The term "average per-pupil expenditure" means—

(A) the aggregate current expenditures of all local educational agencies in the State; divided by

(B) the total number of children in average daily attendance for whom such agencies provided free public education.

(3) CONSTRUCTION.—The term "construction" means—

(A) the preparation of drawings and specifications for school facilities;

(B) erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;

(C) inspecting and supervising the construction of school facilities; and

(D) debt service for such activities.

(4) FEDERAL PROPERTY.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) through (E), the term "Federal property" means real property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is—

(i) owned by the United States or leased by the United States from another entity;

(ii)(I) held in trust by the United States for individual Indians or Indian tribes;

(II) held by individual Indians or Indian tribes subject to restrictions on alienation imposed by the United States;

(III) conveyed at any time under the Alaska Native Claims Settlement Act (Public Law 92–203, 43 U.S.C. 1601 et seq.) to a Native individual, Native group, or Village or Regional corporation; or

(IV) public land owned by the United States that is designated for the sole use and benefit of individual Indians or Indian tribes; or

(iii) owned by a foreign government or by an international organization.

(B) SCHOOLS PROVIDING FLIGHT TRAINING TO MEMBERS OF AIR FORCE.—The term "Federal property" includes, so long as not subject to taxation by any State or any political subdivision of a State, and whether or not that tax exemption is due to Federal agreement, law, or policy, any school providing flight training to members of the Air Force under contract with the Air Force at an airport owned by a State or political subdivision of a State.

(C) NON-FEDERAL EASEMENTS, LEASES, LICENSES, PERMITS, IMPROVEMENTS, AND CERTAIN OTHER REAL PROPERTY.—The term "Federal property" includes, whether or not subject to taxation by a State or a political subdivision of a State—

(i) any non-Federal easement, lease, license, permit, or other such interest in Federal property as otherwise described in this paragraph, but not including any non-Federal fee-simple interest;

(ii) any improvement on Federal property as otherwise described in this paragraph; and

(iii) real property that, immediately before its sale or transfer to a non-Federal party, was owned by the United States and otherwise qualified as Federal property described in this paragraph, but only for one year beyond the end of the fiscal year of such sale or transfer.

(D) CERTAIN POSTAL SERVICE PROPERTY AND PIPELINES AND UTILITY LINES.—Notwithstanding any other provision of this paragraph, the term "Federal property" does not include—

(i) any real property under the jurisdiction of the United States Postal Service that is used primarily for the provision of postal services; or

(ii) pipelines and utility lines.

(E) PROPERTY WITH RESPECT TO WHICH STATE OR LOCAL TAX REVENUES MAY NOT BE EXPENDED, ALLOCATED, OR AVAILABLE FOR FREE PUBLIC EDUCATION.—Notwithstanding any other provision of this paragraph, "Federal property"

does not include any property on which children reside that is otherwise described in this paragraph if—

(i) no tax revenues of the State or of any political subdivision of the State may be expended for the free public education of children who reside on that Federal property; or

(ii) no tax revenues of the State are allocated or available for the free public education of such children.

(5) FREE PUBLIC EDUCATION.—The term "free public education" means education that is provided—

(A) at public expense, under public supervision and direction, and without tuition charge; and

(B) as elementary or secondary education, as determined under State law, except that, notwithstanding State law, such term—

(i) includes preschool education; and

(ii) does not include any education provided beyond grade 12.

(6) INDIAN LANDS.—The term "Indian lands" means any Federal property described in paragraph (4)(A)(ii).

(7) LOCAL EDUCATIONAL AGENCY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term "local educational agency"—

(i) means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent school district, or other school district; and

(ii) includes any State agency that directly operates and maintains facilities for providing free public education.

(B) EXCEPTION.—The term "local educational agency" does not include any agency or school authority that the Secretary determines on a case-by-case basis—

(i) was constituted or reconstituted primarily for the purpose of receiving assistance under this title or the Act of September 30, 1950 (Public Law 874, 81st Congress) or increasing the amount of such assistance; or

(ii) is not constituted or reconstituted for legitimate educational purposes.

(8) LOW-RENT HOUSING.—The term "low-rent housing" means housing located on property that is—

(A) used for low-rent housing that is located on land described in subclause (I), (II), (III), or (IV) of paragraph 4(A)(ii) or on land that met one of the descriptions in any such subclause immediately before its use for such housing;

(B) part of a low-rent housing project assisted under the United States Housing Act of 1937;

(C) located in the State of Oklahoma that—

(i) is owned by an Indian housing authority and used for low-income housing (including housing assisted under the mutual help homeownership opportunity program under section 202 of the United States Housing Act of 1937), and

(ii) at any time prior to the date of the enactment of Public Law 103-102—

(I) was designated by treaty as tribal land, or

(II) satisfied the definition of Federal property under section 403(1)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress); or

(D) used to provide housing for homeless children at closed military installations pursuant to section 501 of the Stewart B. Mckinney Homeless Assistance Act (42 U.S.C. 11411).

(9) SCHOOL FACILITIES.—The term "school facilities" includes—

(A) classrooms and related facilities; and

(B) equipment, machinery, and utilities necessary or appropriate for school purposes.

SEC. 8013. AUTHORIZATION OF APPROPRIATIONS.

(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—For the purpose of making payments under section 8003, there are authorized to be appropriated $16,750,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(b) BASIC PAYMENTS.—For the purpose of making payments under section 8004(a), there are authorized to be appropriated $425,500,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—For the purpose of making payments under section 8004(d), there are authorized to be appropriated $45,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(d) PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—For the purpose of making payments under section 8004(f), there are authorized to be appropriated $42,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(e) PAYMENTS FOR INCREASES IN MILITARY CHILDREN.—For the purpose of making payments under section 8007, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

(f) FACILITIES MAINTENANCE.—For the purpose of making payments under section 8008, there are authorized to be appropriated $2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

SEC. 8014. TRANSFER OF PAYMENTS.

(a) BASIC PAYMENTS UNDER SECTION 8004.—From any amounts available, the Secretary of Defense shall transfer to the Secretary of Education the total amount of funds necessary for the Secretary of Education to make all of the payments associated with children connected with defense activities, as defined under section 8004.

(b) ADDITIONAL PAYMENTS.—(1) The Secretary of Defense shall transfer to the Secretary of Education in each fiscal year in which funds are obtained under subsection (a) the full amount of such

funds for payments based upon the amounts computed under section 8004.

(2) Notwithstanding any other provision of law, funds made available to the Secretary of Education under paragraph (1) shall be the only funds used by the Secretary in making payments under section 8004 to local educational agencies for children connected with defense activities and the responsibility of the Secretary of Education to administer the provisions of section 8004 are limited to the availability of such funds for eligible students covered under section 8004.

(3)(A) For purposes of expediting the funding provisions of this subsection, the Secretary shall provide in a timely fashion to the Secretary of Defense, such information as may be necessary for such Secretary to carry out this provision.

(B) The Secretary of Education shall also make available to the Secretary of Defense such reports, evaluations or application information as shall be related to the federally connected students associated with this Department.

TITLE IX—GENERAL PROVISIONS

PART A—DEFINITIONS

SEC. 9101. DEFINITIONS.

Except as otherwise provided, for the purposes of this Act, the following terms have the following meanings:

(1)(A) Except as provided otherwise by State law or this paragraph, the term "average daily attendance" means—

(i) the aggregate number of days of attendance of all students during a school year; divided by

(ii) the number of days school is in session during such school year.

(B) The Secretary shall permit the conversion of average daily membership (or other similar data) to average daily attendance for local educational agencies in States that provide State aid to local educational agencies on the basis of average daily membership or such other data.

(C) If the local educational agency in which a child resides makes a tuition or other payment for the free public education of the child in a school located in another school district, the Secretary shall, for purposes of this Act—

(i) consider the child to be in attendance at a school of the agency making such payment; and

(ii) not consider the child to be in attendance at a school of the agency receiving such payment.

(D) If a local educational agency makes a tuition payment to a private school or to a public school of another local educational agency for a child with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act, the Secretary shall, for the purposes of this Act, consider such child to be in attendance at a school of the agency making such payment.

(2) The term "average per-pupil expenditure" means, in the case of a State or of the United States—

(A) without regard to the source of funds—

(i) the aggregate current expenditures, during the third preceding fiscal year (or, if satisfactory data for that year are not available, during the most recent preceding fiscal year for which satisfactory data are available) of all local educational agencies in the State or, in the case of the United States for all States (which, for the purpose of this paragraph, means the 50 States and the District of Columbia); plus

(ii) any direct current expenditures by the State for operation of such agencies; divided by

(B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(3) The term "child" means any person within the age limits for which the applicable State provides free public education.

(4) The term "community-based organization" means a private nonprofit organization that—

(A) is representative of a community or significant segments of a community; and

(B) provides educational or related services to individuals in the community.

(5) The term "consolidated State application" means an application submitted by a State educational agency pursuant to section 9302 of this Act.

(6) The term "county" means one of those divisions of a State used by the Secretary of Commerce in compiling and reporting data regarding counties.

(7) The term "covered program" means each of the programs authorized by—

(A) part A of title I of this Act;

(B) part C of title I of this Act;

(C) part A of title II of this Act; and

(D) part A of title IV of this Act except section 4104.

(8) The term "current expenditures" means expenditures for free public education—

(A) including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities; but

(B) not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds received under title I and part A of title II of this Act.

(9) The term "Department" means the Department of Education.

(10) The term "educational service agency" means regional public multiservice agencies authorized by State statute to develop, manage, and provide services and programs to local educational agencies.

(11) The term "elementary school" means a nonprofit day or residential school that provides elementary education, as determined under State law.

(12) The term "free public education" means education that is provided—

(A) at public expense, under public supervision and direction, and without tuition charge; and

(B) as elementary or secondary school education as determined under applicable State law, except that such term does not include any education provided beyond grade 12.

(13) The term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965.

(14)(A) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools.

(B) The term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(15) The term "mentoring" means a program in which an adult works with a child or youth on a 1-to-1 basis, establishing a supportive relationship, providing academic assistance, and exposing the child or youth to new experiences that enhance the child or youth's ability to excel in school and become a responsible citizen.

(16) The term "other staff" means pupil services personnel, librarians, career guidance and counseling personnel, education aides, and other instructional and administrative personnel.

(17) The term "outlying area" means the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau).

(18) The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) The terms "pupil-services personnel" and "pupil services" mean, respectively—

(A) school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services as part of a comprehensive program to meet student needs; and

(B) the services provided by such individuals.

(20) The term "secondary school" means a nonprofit day or residential school that provides secondary education, as determined under State law, except that it does not include any education beyond grade 12.

(21) The term "Secretary" means the Secretary of Education.

(22) The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

(23) The term "State educational agency" means the agency primarily responsible for the State supervision of public elementary and secondary schools.

SEC. 9102. APPLICABILITY OF THIS TITLE.

Parts B through F of this title do not apply to title VIII of this Act.

SEC. 9103. REFERENCES IN OTHER ACTS.

References to section 1471 of this Act, as it existed prior to the enactment of the Improving America's Schools Act of 1994, shall be deemed to refer to this section.

PART B—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

SEC. 9201. CONSOLIDATION OF STATE ADMINISTRATIVE FUNDS FOR ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

(a) CONSOLIDATION OF ADMINISTRATIVE FUNDS.—(1) A State educational agency may consolidate the amounts specifically made available to it for State administration under one or more of the programs specified under paragraph (2) if such State educational agency can demonstrate that the majority of such agency's resources come from non-Federal sources.

(2) This section applies to title I of this Act and the covered programs specified in sections 9101(7)(C) and (D).

(b) USE OF FUNDS.—(1) A State educational agency shall use the amount available under this section for the administration of the programs included in the consolidation under subsection (a).

(2) A State educational agency may also use funds available under this section for administrative activities designed to enhance the effective and coordinated use of funds under such programs, such as—

(A) the coordination of programs specified in subsection (a)(2) with other Federal and non-Federal programs;

(B) the establishment and operation of peer-review mechanisms under this Act;

(C) the administration of this title;

(D) the dissemination of information regarding model programs and practices; and

(E) technical assistance under programs specified in subsection (a)(2).

(c) RECORDS.—A State educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of programs included in the consolidation under subsection (a).

(d) REVIEW.—To determine the effectiveness of State administration under this section, the Secretary may periodically review the performance of State educational agencies in using consolidated administrative funds under this section and take such steps as the

Secretary finds appropriate to ensure the effectiveness of such administration.

(e) Unused Administrative Funds.—If a State educational agency does not use all of the funds available to it under this section for administration, it may use such funds during the applicable period of availability as funds available under one or more programs included in the consolidation under subsection (a).

SEC. 9202. SINGLE LOCAL EDUCATIONAL AGENCY STATES.

A State educational agency that also serves as a local educational agency shall, in its applications or State plans under this Act, describe how it will eliminate duplication in the conduct of administrative functions.

SEC. 9203. CONSOLIDATION OF FUNDS FOR LOCAL ADMINISTRATION.

(a) General Authority.—In accordance with regulations of the Secretary, a local educational agency, with the approval of its State educational agency, may consolidate and use for the administration of one or more covered programs for any fiscal year not more than the percentage, established in each covered program, of the total amount available to that local educational agency under those covered programs.

(b) State Procedures.—Within one year from the date of enactment of the Improving America's Schools Act of 1994, a State educational agency shall, in collaboration with local educational agencies in the State, establish procedures for responding to requests from local educational agencies to consolidate administrative funds under subsection (a) and for establishing limitations on the amount of funds under covered programs that may be used for administration on a consolidated basis.

(c) Conditions.—A local educational agency that consolidates administrative funds under this section for any fiscal year shall not use any other funds under the programs included in the consolidation for administration for that fiscal year.

(d) Uses of Administrative Funds.—A local educational agency that consolidates administrative funds under this section may use these consolidated funds for the administration of covered programs and for the purposes described in section 9201(b)(2).

(e) Records.—A local educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual covered program, to account for costs relating to the administration of covered programs included in the consolidation.

SEC. 9204. ADMINISTRATIVE FUNDS STUDY.

(a) Study.—(1) The Secretary shall conduct a study of the use of funds under this Act for the administration, by State and local educational agencies, of covered programs, including the percentage of grant funds used for such purpose in covered programs.

(2) Based on the results of such study, the Secretary shall develop a definition of what types of activities constitute the administration of programs under this Act by State and local educational agencies.

(3) Based on the results of such study, the Secretary may publish regulations or guidelines regarding the use of funds for administration under those programs, including the use of such funds on a consolidated basis and limitations on the amount of such funds that

may be used for administration where such limitation is not otherwise specified in law.

(b) REPORT.—The Secretary shall submit to the President and the appropriate committees of the Congress a report regarding the study conducted under this section within 30 days of its completion.

SEC. 9205. CONSOLIDATED SET-ASIDE FOR DEPARTMENT OF THE INTERIOR FUNDS.

(a) GENERAL AUTHORITY.—(1) The Secretary shall transfer to the Department of the Interior, as a consolidated amount for covered programs, the Indian education programs under part A of title VI of this Act, and the education for homeless children and youth program under subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act, the amounts allotted to the Department of the Interior under those programs.

(2)(A) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of the programs specified in paragraph (1), for the distribution and use of those funds under terms that the Secretary determines best meet the purposes of those programs.

(B) The agreement shall—

(i) set forth the plans of the Secretary of the Interior for the use of the amount transferred, the steps to be taken to achieve the National Education Goals, and performance measures to assess program effectiveness, including measurable goals and objectives; and

(ii) be developed in consultation with Indian tribes.

(b) ADMINISTRATION.—The Department of the Interior may use up to 1.5 percent of the funds consolidated under this section for its costs related to the administration of the funds transferred under this section.

SEC. 9206. AVAILABILITY OF UNNEEDED PROGRAM FUNDS.

(a) UNNEEDED PROGRAM FUNDS.—With the approval of its State educational agency, a local educational agency that determines for any fiscal year that funds under a covered program other than part A of title I of this Act are not needed for the purpose of that covered program may use such funds, not to exceed five percent of the total amount of its funds under that covered program, for the purpose of another covered program.

(b) COORDINATION OF SERVICES.—A local educational agency, individual school, or consortium of schools may use a total of up to 5 percent of the funds it receives under this Act for the establishment and implementation of a coordinated services project consistent with the requirements of Title X of this Act.

PART C—COORDINATION OF PROGRAMS; CONSOLIDATED STATE AND LOCAL APPLICATIONS

SEC. 9301. PURPOSE.

It is the purpose of this part to improve teaching and learning by encouraging greater cross-program coordination, planning, and service delivery under this Act and enhanced integration of pro-

grams under this Act with educational activities carried out with State and local funds.

SEC. 9302. OPTIONAL CONSOLIDATED STATE APPLICATION.

(a) GENERAL AUTHORITY.—(1) In order to simplify application requirements and reduce burden for State educational agencies under this Act, the Secretary shall, in accordance with subsection (b), establish procedures and criteria under which a State educational agency may submit a consolidated State application meeting the requirements of this section for each of the covered programs in which the State participates.

(2) A State educational agency may also include in its consolidated application—

(A) the Even Start program under part B of title I of this Act;

(B) the education of neglected and delinquent youth program under part D of title I of this Act;

(C) part A of title II of the Carl D. Perkins Vocational and Applied Technology Education Act;

(D) Goals 2000: Educate America Act;

(E) School-to-Work Opportunities Act; and

(F) such other programs as the Secretary may designate.

(3) A State educational agency that submits a consolidated State application under this section shall not be required to submit separate State plans or applications under any of the programs to which its consolidated application under this section applies.

(b) COLLABORATION.—(1) In establishing criteria and procedures under this section, the Secretary shall collaborate with State educational agencies and, as appropriate, with other State agencies, local educational agencies, public and private nonprofit agencies, organizations, and institutions, private schools, and representatives of parents, students, and teachers.

(2) Through the collaboration process described in subsection (b), the Secretary shall establish, for each program under the Act to which this section applies, the descriptions, information, assurances, and other material required to be included in a consolidated State application.

(3) The Secretary shall require only descriptions, information, assurances, and other materials that are absolutely necessary for the consideration of the State application.

SEC. 9303. GENERAL APPLICABILITY OF STATE EDUCATIONAL AGENCY ASSURANCES.

(a) ASSURANCES.—A State educational agency that submits a State plan or application under this Act, whether separately or under section 9302, shall have on file with the Secretary a single set of assurances, applicable to each program for which a plan or application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency, in a nonprofit private agency, institution, or organization, or in an Indian tribe if the statute authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing statutes;

(3) the State will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations and other recipients responsible for carrying out each program;

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation; and

(C) the adoption of written procedures for the receipt and resolution of complaints alleging violations of law in the administration of such programs;

(4) the State will cooperate in carrying out any evaluation of each such program conducted by or for the Secretary or other Federal officials;

(5) the State will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each such program;

(6) the State will—

(A) make reports to the Secretary as may be necessary to enable the Secretary to perform the Secretary's duties under each such program; and

(B) maintain such records, provide such information to the Secretary, and afford access to the records as the Secretary may find necessary to carry out the Secretary's duties; and

(7) before the application was submitted to the Secretary, the State has afforded a reasonable opportunity for public comment on the application and has considered such comment.

(b) GEPA PROVISION.—Section 440 of the General Education Provisions Act does not apply to programs under this Act.

SEC. 9304. CONSOLIDATED LOCAL APPLICATIONS.

(a) GENERAL AUTHORITY.—A local educational agency receiving funds under more than one covered program may submit applications to the State educational agency under such programs on a consolidated basis.

(b) REQUIRED CONSOLIDATED APPLICATIONS.—A State educational agency that has submitted and had approved a consolidated State application under section 9302 may require local educational agencies in the State receiving funds under more than one program included in the consolidated State application to submit consolidated local applications under such programs.

(c) COLLABORATION.—A State educational agency shall collaborate with local educational agencies in the State in establishing procedures for the submission of the consolidated applications under this section.

(d) The State educational agency shall require only descriptions, information, assurances, and other material that are absolutely necessary for the consideration of the application of the local educational agency.

SEC. 9305. OTHER GENERAL ASSURANCES.

(a) ASSURANCES.—Any applicant other than a State educational agency that submits an application under this Act, whether separately or pursuant to section 9304, shall have on file with the State educational agency a single set of assurances, applicable to each program for which an application is submitted, that provides that—

(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency or in a nonprofit private agency, institution, organization, or Indian tribe, if the statute authorizing the program provides for assistance to such entities; and

(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer such funds and property to the extent required by the authorizing statutes;

(3) the applicant will adopt and use proper methods of administering each such program, including—

(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program; and

(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation;

(4) the applicant will cooperate in carrying out any evaluation of each such program conducted by or for the State educational agency or the Secretary or other Federal officials;

(5) the applicant will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to such applicant under each such program;

(6) the applicant will—

(A) make reports to the State educational agency and the Secretary as may be necessary to enable such agency and the Secretary to perform their duties under each such program; and

(B) maintain such records, provide such information, and afford access to the records as the State educational agency or the Secretary may find necessary to carry out the State educational agency's or the Secretary's duties; and

(7) before the application was submitted, the applicant afforded a reasonable opportunity for public comment on the application and has considered such comment.

(b) GEPA PROVISION.—Section 442 of the General Education Provisions Act does not apply to programs under this Act.

PART D—WAIVERS

SEC. 9401. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

(a) GENERAL.—Except as provided in subsection (c), the Secretary may waive any requirement of this Act or of the General Education Provisions Act, or of the regulations issued under such Acts, for a

State educational agency, Indian tribe, or other agency, organization, or institution that receives funds under a program authorized by this Act from the Department and that requests such a waiver if—

(1) the Secretary determines that such requirement impedes the ability of the State educational agency or other recipient to achieve more effectively the purposes of this Act; and

(2) in the case of a waiver proposal submitted by a State educational agency, the State educational agency—

(A) provides all interested local educational agencies in the State with notice and an opportunity to comment on the proposal; and

(B) submits the comments to the Secretary; and

(3) in the case of a waiver proposal submitted by a local educational agency or other agency, institution, or organization that receives funds under this Act from the State educational agency, such request has been reviewed by the State educational agency and is accompanied by the comments, if any, of such agency.

(b) WAIVER PERIOD.—(1) A waiver under this section shall be for a period not to exceed three years.

(2) The Secretary may extend such period if the Secretary determines that—

(A) the waiver has been effective in enabling the State or affected recipients to carry out the activities for which it was requested and has contributed to improved performance; and

(B) such extension is in the public interest.

(c) WAIVERS NOT AUTHORIZED.—The Secretary may not waive, under this section, any statutory or regulatory requirement relating to—

(1) comparability of services;

(2) maintenance of effort;

(3) the equitable participation of students attending private schools;

(4) parental participation and involvement;

(5) the distribution of funds to States or to local educational agencies or other recipients of funds under this Act;

(6) maintenance of records;

(7) applicable civil rights requirements;

(8) the requirements of sections 444 and 445 of the General Education Provisions Act; or

(9) the requirements related to the element of a charter school described in paragraph (1) of section 3407 of this Act.

(d) TERMINATION OF WAIVERS.—The Secretary shall terminate a waiver under this section if the Secretary determines that the performance of the State or other recipient affected by the waiver has been inadequate to justify a continuation of the waiver or if it is no longer necessary to achieve its original purposes.

PART E—UNIFORM PROVISIONS

SEC. 9501. MAINTENANCE OF EFFORT.

(a) GENERAL.—A local educational agency may receive funds under a covered program for any fiscal year only if the State edu-

cational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(b) REDUCTION IN CASE OF FAILURE TO MEET.—(1) The State educational agency shall reduce the amount of the allocation of funds under a covered program in any fiscal year in the exact proportion to which a local educational agency fails to meet the requirement of subsection (a) by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to such local agency).

(2) No such lesser amount shall be used for computing the effort required under subsection (a) for subsequent years.

(c) WAIVER.—The Secretary may waive the requirements of this section if the Secretary determines that such a waiver would be equitable due to—

(1) exceptional or uncontrollable circumstances such as a natural disaster; or

(2) a precipitous decline in the financial resources of the local educational agency.

SEC. 9502. PROHIBITION REGARDING STATE AID.

No State may take into consideration payments under this Act (other than under title VIII) in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children.

SEC. 9503. PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.

(a) GENERAL REQUIREMENT.—(1) Except as otherwise provided in this Act, to the extent consistent with the number of eligible children in a State educational agency, local educational agency, or intermediate educational agency or consortium receiving financial assistance under a program specified in subsection (b), who are enrolled in private elementary and secondary schools in such agency or consortium, such agency or consortium shall, after timely and meaningful consultation with appropriate private school officials, provide such children and their teachers or other educational personnel, on an equitable basis, special educational services or other benefits under such program.

(2) Educational services or other benefits, including materials and equipment, provided under this section, must be secular, neutral, and nonideological.

(3) Educational services and other benefits provided under this section for such private school children, teachers, and other educational personnel shall be equitable in comparison to services and other benefits for public school children, teachers, and other educational personnel participating in such program.

(4) Expenditures for educational services and other benefits provided under this section to eligible private school children, their teachers, and other educational personnel serving them shall be equal, taking into account the number and educational needs of the

children to be served, to the expenditures for participating public school children.

(5) Such agency or consortium may provide such services directly or through contracts with public and private agencies, organizations, and institutions.

(b) APPLICABILITY.—(1) This section applies to—

(A) each covered program; and

(B) programs under title VII of this Act.

(2) For the purposes of this section, the term "eligible children" means children eligible for services under a program described in paragraph (1).

(c) PUBLIC CONTROL OF FUNDS.—(1) The control of funds used to provide services under this section, and title to materials, equipment, and property purchased with these funds, shall be in a public agency for the uses and purposes provided in this Act, and a public agency shall administer such funds and property.

(2)(A) The provision of services under this section shall be provided—

(i) by employees of a public agency; or

(ii) through contract by such public agency with an individual, association, agency, or organization.

(B) In the provision of such services, such employee, person, association, agency, or organization shall be independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency.

(C) Funds used to provide services under this section shall not be commingled with non-Federal funds.

SEC. 9504. STANDARDS FOR BY-PASS.

If, by reason of any provision of law, a State, local, or intermediate educational agency or consortium is prohibited from providing for the participation in programs of children enrolled in, or teachers or other educational personnel from, private elementary and secondary schools, on an equitable basis, or if the Secretary determines that such agency or consortium has substantially failed or is unwilling to provide for such participation, as required by section 9503, the Secretary shall—

(1) waive the requirements of that section for such agency or consortium; and

(2) arrange for the provision of equitable services to such children, teachers, or other educational personnel through arrangements that shall be subject to the requirements of this section and of sections 9503, 9505, and 9506.

SEC. 9505. COMPLAINT PROCESS FOR PARTICIPATION OF PRIVATE SCHOOL CHILDREN.

(a) PROCEDURES FOR COMPLAINTS.—The Secretary shall develop and implement written procedures for receiving, investigating, and resolving complaints from parents, teachers, or other individuals and organizations concerning violations by an agency or consortium of section 9503 of this Act. Such individual or organization shall submit such complaint to the State educational agency for a written resolution by such agency within a reasonable period of time.

(b) APPEALS TO THE SECRETARY.—Such resolution may be appealed by an interested party to the Secretary within 30 days after the State educational agency resolves the complaint or fails to resolve the complaint within a reasonable period of time. Such appeal shall be accompanied by a copy of the State educational agency's resolution, and a complete statement of the reasons supporting the appeal. The Secretary shall investigate and resolve each such appeal within 120 days after receipt of the appeal.

SEC. 9506. BY-PASS DETERMINATION PROCESS.

(a) REVIEW.—(1)(A) The Secretary shall not take any final action under section 9504 until the agency or consortium affected by such action has had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary to show cause why that action should not be taken.

(B) Pending final resolution of any investigation or complaint that could result in a determination under this section, the Secretary may withhold from the allocation of the affected State or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

(2)(A) If such affected agency or consortium is dissatisfied with the Secretary's final action after a proceeding under paragraph (1), it may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action.

(B) A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary.

(C) The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based this action, as provided in section 2112 of title 28, United States Code.

(3)(A) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings.

(B) Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4)(A) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part.

(B) The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(b) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines, in consultation with such agency or consortium and representatives of the affected private school children, teachers, or other educational personnel that there will no longer be any failure or inability on the part of such agency or consortium to meet the applicable requirements of section 9503 or any other provision of this Act.

(c) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials,

pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allocation or allocations under this Act.

(d) PRIOR DETERMINATION.—Any by-pass determination by the Secretary under this Act as in effect on the day before enactment of the Improving America's Schools Act of 1994 shall remain in effect to the extent the Secretary determines that it is consistent with the purpose of this section.

SEC. 9507. PROHIBITION AGAINST FUNDS FOR RELIGIOUS WORSHIP OR INSTRUCTION.

Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

PART F—GUN POSSESSION

SEC. 9601. POLICY FOR GUN POSSESSION.

(a) IN GENERAL.—Each local educational agency which receives assistance under this Act shall have a policy that addresses student possession and use of a gun on school property.

(b) POLICY CONTENT.—The content of such policy may include—

(1) punishment requirements for possession and use of a gun on school property, including expulsion and suspension;

(2) alternative placement for an individual who violates the policy;

(3) educational services for a student expelled from school for violation of the policy; and

(4) opportunities for a hearing to address expulsion or suspension decisions for violation of the policy.

TITLE X—COORDINATED SERVICES PROJECTS

SEC. 10001. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress makes the following findings:

(1) Growing numbers of children are negatively affected by influences outside of the classroom which increase their risk of academic failure.

(2) Factors such as poor nutrition, unsafe living conditions, physical and sexual abuse, family and gang violence, inadequate health care, unemployment, lack of child care and substance abuse adversely affect family relationships and the ability of a child to learn.

(3) Parents and other caregivers in today's high pressure society often face demands which place restraints on their time and affect their ability to adequately provide for the needs of their families.

(4) Access to health and social service programs can address the basic physical and emotional needs of children so that they can fully participate in the learning experiences offered them in school.

(5) Services for at-risk students need to be more convenient, less fragmented, regulated and duplicative in order to meet the needs of children and their families.

(6) School personnel, parents, and support service providers often lack knowledge of, and access to, available services for at-risk students and their families in the community, and have few resources to coordinate services and make them accessible.

(7) Service providers, such as teachers, social workers, health care and child care providers, juvenile justice workers and others, are often trained in separate disciplines that provide little support for the coordination of services.

(8) Coordination of services is more cost effective because it substitutes prevention for expensive crisis intervention.

(9) Coordinating health and social services with education can help the Nation meet the National Education Goals by ensuring better outcomes for children.

(b) Purpose of Coordinating Services.—The purpose of this section is to provide elementary and secondary school students and their families better access to the social, health and education services necessary for students to succeed in school and for their families to take an active role in ensuring that children receive the best possible education.

SEC. 10002. DEFINITIONS.

(a) The term "coordinated services project" refers to a comprehensive approach to meeting the educational, health, social service, and other needs of children and their families, including foster children and their foster families, through a communitywide partnership that links public and private agencies providing such services or access to such services through a coordination site at or near a school.

(b) An "eligible entity" is a local educational agency, individual school, or consortium of schools.

SEC. 10003. PROJECT DEVELOPMENT AND IMPLEMENTATION.

(a) Project Plans.—Eligible entities exercising their authority under section 9206(b) shall submit to the Secretary an application for the development of a plan or a plan for the implementation of a coordinated services project.

(b) Project Development.—The application for the development of the coordinated services project, which can last for up to one year, shall:

(1) demonstrate that an assessment will be performed of the economic, social, and health barriers to educational achievement experienced by children and families, including foster children and their foster families, in the community, and the local, State, federal, and privately funded services available to meet such needs;

(2) identify the measures that will be taken to establish a communitywide partnership that links public and private agencies providing services to children and families; and

(3) identify any other measures that will be taken to develop a comprehensive plan for the implementation of a coordinated services project or projects.

(c) PROJECT IMPLEMENTATION.—Eligible entities shall submit to the Secretary a plan for the implementation or expansion of a coordinated services project. Such plan shall include—

(1) the results of a children and families needs assessment, which will include an assessment of the needs of foster children;

(2) the membership of the coordinated services project partnership;

(3) a description of the proposed coordinated services project, its objectives, where it will be located, and the staff that will be used to carry out the purposes of the project;

(4) a description of how the success of the coordinated services project will be evaluated;

(5) a description of the training to be provided to teachers and appropriate personnel; and

(6) information regarding whether or not a sliding scale fee for services will be employed, and if not, an explanation of why such scale is not feasible.

SEC. 10004. USES OF FUNDS.

(a) Funds utilized under the authority of section 9206(b) may be used for activities under this title which include—

(1) hiring a services coordinator;

(2) making minor renovations to existing buildings;

(3) purchasing basic operating equipment;

(4) improving communications and information-sharing between members of the coordinated services project partnership;

(5) providing training to teachers and appropriate personnel concerning their role in a coordinated services project; and

(6) conducting the needs assessment required in section 10003(b)(1).

(b) Projects operating under the authority of this title shall comply with the requirements of Sec. 1121(b).

SEC. 10005. CONTINUING AUTHORITY.

The Secretary shall not approve the plan of any project which fails to demonstrate that it is achieving effective coordination after 2 years of implementation.

SEC. 10006. FEDERAL AGENCY COORDINATION.

(a) AGENCY COORDINATION.—The Secretaries of Education, Health and Human Services, Labor, Housing and Urban Development, Treasury, and Agriculture, and the Attorney General shall review the programs administered by their agencies to identify barriers to service coordination.

(b) REPORT TO CONGRESS.—Such Secretaries and the Attorney General shall submit jointly a report to the Congress not later than 2 years after the date of the enactment of the Improving America's Schools Act, based on the review required under paragraph (a) recommending legislative and regulatory action to address such barriers, and during this time, shall use waiver authorities authorized under this and other Acts.

TITLE XI—SCHOOL FACILITIES IMPROVEMENT ACT

SEC. 11001. FINDINGS.

The Congress finds the following:

(1) According to a 1991 survey conducted by the American Association of School Administrators, 74 percent of all public school buildings in the United States need to be replaced.

(2) Almost one-third of such buildings were built prior to World War II.

(3) It is estimated that 1 of every 4 public school buildings in the United States is in inadequate condition, and of such buildings, 61 percent need maintenance or major repairs, 43 percent are obsolete, 42 percent contain environmental hazards, 25 percent are overcrowded, and 13 percent are structurally unsound.

(4) Large numbers of local educational agencies have difficulties securing financing for school facility improvement.

SEC. 11002. PURPOSE.

The purpose of this Act is the leverage limited Federal funds to enable local educational agencies to finance the costs associated with the improvement of school facilities within their jurisdiction.

SEC. 11003. FEDERAL ASSISTANCE IN THE FORM OF LOANS.

(a) AUTHORITY AND CONDITIONS FOR LOANS.—To assist local educational agencies in the construction, reconstruction, or renovation of schools, the Secretary may make loans of funds to such agencies for the construction, reconstruction, or renovation of such schools. Such assistance shall only be provided—

(1) to local educational agencies eligible for grants under section 1124A of part A of title I, schools located on Indian reservations, or local educational agencies eligible for payments under section 8004.

(2) if the Secretary finds that such constructions will be undertaken in an economical manner, and that any such construction, reconstruction or renovation is not or will not be of elaborate or extravagant design or materials.

(b) PRIORITIES.—In approving loans under this title, the Secretary shall consider—

(1) the difficulty of the applicant in securing affordable financing from other sources;

(2) the threat the condition of the physical plant poses to the safety and well-being of students;

(3) the demonstrated need for the construction, reconstruction, or renovation as based on the condition of the facility; and

(4) the age of the facility to be renovated or replaced.

(c) AMOUNT AND CONDITIONS OF LOANS.—A loan to a local educational agency—

(1) may be in an amount not exceeding the total development cost of the facility, as determined by the Secretary;

(2) shall be secured in such manner and be repaid within such period, not exceeding 50 years, as may be determined by the Secretary; and

(3) shall bear interest at a rate determined by the Secretary which shall be the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury minus 1 and one quarter per cent each year.

SEC. 11004. GENERAL PROVISIONS.

(a) BUDGET AND ACCOUNTING.—In the performance of, and with respect to, the functions, powers, and duties under this part, the Secretary, notwithstanding the provisions of any other law, shall—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31, United States Code; and

(2) maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of chapter 35 of title 31, United States Code, but such financial transactions of the Secretary, as the making of loans and vouchers approved by the Secretary, in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

(b) USE OF FUNDS.—Funds made available to the Secretary pursuant to the provisions of this part shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Secretary in connection with the performance of functions under this part, and all funds available for carrying out the functions of the Secretary under this part (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary in connection with the performance of such functions.

(c) LEGAL POWERS.—In the performance of, and with respect to, the functions, powers, and duties under this part, the Secretary, notwithstanding the provisions of any other law, may—

(1) prescribe such rules and regulations as may be necessary to carry out the purposes of this part;

(2) sue and be sued;

(3) foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which the Secretary has made a loan pursuant to this part;

(4) in the event of any such acquisition, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property, but any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(5) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as the Secretary may fix;

(6) obtain insurance against loss in connection with property and other assets held; and

(7) include in any contract or instrument made pursuant to this part such other covenants, conditions, or provisions as may be necessary to assure that the purposes of this part will be achieved.

(d) CONTRACTS FOR SUPPLIES OR SERVICES.—Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this part if the amount of such contract does not exceed $1,000.

(e) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—The provisions of section 9107(a) of title 31, United States Code, which are applicable to corporations or agencies subject to chapter 91 of such title, shall also be applicable to the activities of the Secretary under this part.

(f) WAGE RATES.—The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors or subcontractors on any project assisted under this part—

(1) shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (Davis-Bacon Act), as amended; and

(2) shall be employed not more than 40 hours in any one week unless the employee receives wages for the employee's employment in excess of the hours specified above at a rate not less than one and one-half times the regular rate at which the employee is employed,

but the Secretary may waive the application of this subsection in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such project, voluntarily donate their services without full compensation for the purpose of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the educational institution undertaking the construction.

(g) LIMITATIONS.—(1) No loan shall be made under this part to any local educational agency until 5 years after the date on which a previous loan to that agency was made under this part, unless the loan is intended to be used to construct or reconstruct a facility damaged as a result of a national disaster, as declared by the President.

(2) Not more than 12.5 percent of the amount of the funds provided for in this part in the form of loans annually shall be made available to educational institutions within any one State.

SEC. 11005. DEFINITIONS.

The term "school" is defined as structures suitable for use as classrooms, laboratories, libraries, and related facilities, the primary purpose of which is the instruction of elementary and secondary school students.

SEC. 11006. AUTHORIZATION.

There are authorized to be appropriated to carry out this title, $200,000,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

TITLE XII—URBAN AND RURAL EDUCATION ASSISTANCE

PART A—URBAN EDUCATION DEMONSTRATION GRANTS

SEC. 12000. AUTHORIZATION OF APPROPRIATIONS.

(a) DEMONSTRATION GRANTS.—(1) There is authorized to be appropriated $200,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999 to carry out the provisions of sections 12003 and 12103.

(2) 50 percent of the amount appropriated under paragraph (1) shall be reserved and made available only for the purposes of section 12103. If the amount reserved for any fiscal year for section 12103 is less than $50,000,000, the Secretary shall grant awards on a competitive basis to local educational agencies serving rural areas, making such that there is an equitable geographic distribution of such awards. If the amount reserved for any fiscal year for section 12103 exceeds $50,000,000, the Secretary shall grant awards in such a manner that a local educational agency serving rural areas in each State receives such an award.

(3) 50 percent of the amount appropriated under paragraph (1) shall be reserved and made available only for the purposes of section 12003.

(b) HIGHER EDUCATION AND RESEARCH GRANTS.—(1) There are authorized to be appropriated $50,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1999 to carry out the provisions of sections 12004 and 12104.

(2) 50 percent of the amount appropriated under paragraph (1) shall be reserved and made available only for the purposes of section 12004.

(3) 50 percent of the amount appropriated under paragraph (1) shall be reserved and made available only for the purposes of section 12104.

(c) COMMISSIONS.—There are authorized to be appropriated for fiscal years 1995, 1996, and 1997 such sums as may be necessary to carry out the provisions of sections 12006 and 12105. Amounts appropriated pursuant to this authority shall remain available until expended.

(d) EVALUATION.—There are authorized to be appropriated for each of the fiscal years 1995 through 1999 such sums as may be necessary to carry out the provisions of section 12005.

SEC. 12001. FINDINGS.

The Congress finds that—

(1) the ability of the Nation's major urban school systems to meet the Nation's educational goals will determine the country's economic competitiveness and academic standing in the world community;

(2) the quality of public education in the Nation's major urban areas has a direct effect on the economic development of the Nation's inner cities;

(3) the success of urban schools in boosting the achievement of its minority youth attending such schools will determine the ability of the Nation to close the gap between the "haves and have-nots" in society;

(4) the cost to America's businesses to provide remedial education to high school graduates is approximately $21,000,000,000 per year;

(5) approximately 1/3 of the Nation's work force will be minority by the year 2000;

(6) urban schools enroll a disproportionately large share of the Nation's poor and "at-risk" youth;

(7) urban schools enroll approximately 1/3 of the Nation's poor, 40 percent of the Nation's African American children, and 30 percent of the Nation's Hispanic youth;

(8) nearly 20 percent of the Nation's limited English proficient children and 15 percent of the Nation's disabled youth are enrolled in urban schools;

(9) the academic performance of students in the average inner-city public school system is below that of students in most other kinds of school systems;

(10) urban schools systems have higher dropout rates, more problems with health care and less parental participation than other kinds of school systems;

(11) urban preschoolers have one-half the access to early childhood development programs as do other children;

(12) shortages of teachers in urban school systems are 2.5 times greater than such shortages in other kinds of school systems;

(13) declining numbers of urban minority high school graduates are pursuing postsecondary educational opportunities;

(14) urban schools systems have greater problems with teen pregnancy, discipline, drug abuse and gangs than do other kinds of school systems;

(15) 75 percent of urban school buildings are over 25 years old, 33 percent of such buildings are over 50 years old, and such buildings are often in serious disrepair and create poor and demoralizing working and learning conditions;

(16) solving the challenges facing our Nation's urban schools will require the concerted and collaborative efforts of all levels of government and all sectors of the community;

(17) State and Federal funding or urban schools has not adequately reflected need; and

(18) Federal funding that is well targeted, flexible and accountable would contribute significantly to addressing the comprehensive needs of inner-city schools.

SEC. 12002. STATEMENT OF PURPOSE.

It is the purpose of this Act to provide financial assistance to—

(1) assist urban schools in meeting national education goals;

(2) improve the educational and social well being of urban public school children;

(3) close the achievement gap between urban and nonurban school children, while improving the achievement level of all children nationally;

(4) renovate and repair urban school buildings and facilities;

(5) conduct coordinated research on urban education problems, solutions and promising practices;

(6) improve the Nation's global economic and educational competitiveness by improving the country's urban schools;

(7) encourage community, parental and business collaboration in the improvement or urban schools; and

(8) review regulations whose simplification might improve the achievement of urban school children.

SEC. 12003. URBAN EDUCATION DEMONSTRATION GRANTS.

(a) AUTHORITY.—The Secretary is authorized to make grants to eligible local educational agencies serving an urban area or State educational agencies in the case where the State educational agency is the local educational agency for activities designed to assist in local school improvement efforts and school reform, and to assist the schools of such agencies in meeting the National Education Goals.

(b) AUTHORIZED ACTIVITIES.—Funds under this section may be used to—

(1) increase academic achievement of urban school children;

(2) ensure the readiness of urban children for school;

(3) increase the graduation rates of urban students;

(4) prepare urban school graduates to enter higher education, pursue careers, and exercise their responsibilities as citizens;

(5) recruit and retain qualified teachers, particularly minority teachers and teachers specializing in areas of critical shortage;

(6) provide for ongoing staff development to increase the professional capacities of the teaching staff and the skills of teacher aides and paraprofessionals;

(7) decrease the use of drugs and alcohol among urban students and to ensure the physical and emotional well-being of such students in a bias-free school environment;

(8) coordinate and collaborate with parents, the community, the private sector, and with other service providers and programs;

(9) acquire and improve access to educational technology; and

(10) assist the schools most in need of services by replicating successful efforts of other urban local educational agencies and expanding successful programs within the eligible agency.

(c) GENERAL PROVISIONS.—An eligible local educational agency desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require, consistent with this section.

(d) DEFINITIONS.—Except as otherwise provided, for the purposes of this part—

(1) CENTRAL CITY.—The term "central city" has the same meaning as that used by the United States Census Bureau.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—The term "eligible local educational agency" means a local educational agency which—

(A) serves the largest central city in a State;

(B) enrolls more than 30,000 students and serves a central city with a population of at least 200,000 in a metropolitan statistical area; or

(C) enrolls between 25,000 and 30,000 students and serves a central city with a population of at least 140,000 in a metropolitan statistical area.

(3) METROPOLITAN STATISTICAL AREA.—The term "metropolitan statistical area" has the same meaning as that used by the United States Census Bureau.

SEC. 12004. RESEARCH AND EVALUATION GRANTS.

The Secretary is authorized to make grants and enter into contracts with eligible local educational agencies, and institutions of higher education jointly with eligible local educational agencies to conduct research and evaluate programs for improving and reforming the Nation's urban schools.

SEC. 12005. USE OF FUNDS.

Funds allotted to eligible local educational agencies and institutions of higher education under section 12004 may be used for—

(1) collaborative and coordinated research and evaluation of educational techniques or approaches used in multiple eligible local educational agencies;

(2) evaluation of projects assisted under title I;

(3) collection and dissemination of information on successful projects and approaches assisted under title I;

(4) design and implementation of extension service programs to allow an eligible local educational agency to provide technical assistance to individual schools and teachers involved in projects assisted under title I;

(5) provision of data and information management services to individual schools assisted under title I;

(6) provision of staff training in schools assisted under title I;

(7) evaluation of progress made by eligible local educational agencies assisted under this Act in meeting national education goals;

(8) provision of staff training in test interpretation and use for diagnostic purposes;

(9) provision of information to parents on test results and test interpretation;

(10) provision of technology and training in its research and evaluation uses;

(11) development of assessment tools of students in individualized instruction;

(12) research on school policies and practices which may be barriers to the success of students in school; and

(13) development and testing of new multiple, alternative assessments of student progress toward the national education goals which are race and gender bias-free and sensitive to limited-English proficient and disabled students.

SEC. 12006. AUGUSTUS F. HAWKINS NATIONAL COMMISSION ON URBAN EDUCATION.

(a) ESTABLISHMENT.—There is established a National Commission on Urban Education (in this Act referred to as the "Commission").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 12 members as follows:

(A) 4 of the Members shall be appointed by the President.

(B) 4 of the Members shall be appointed by the Speaker of the House, including 2 Members of the House, of which 1 shall be from each political party.

(C) 4 of the members shall be appointed by the President pro tempore of the Senate, including 2 Members of the Senate, of which 1 shall be from each political party.

(2) CHAIRPERSON.—The Chairperson of the Commission shall be elected by the members of the Commission and shall continue to serve for the duration of the Commission.

(3) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(c) DUTIES.—The Commission shall study the following issues:

(1) DEMOGRAPHIC CHANGES.—Demographic changes in student enrollment and classroom teachers in the 10-year period prior to the date of enactment of this Act.

(2) SPECIAL NEEDS.—Numbers and types of special needs of students in urban schools.

(3) UNSERVED OR UNDERSERVED STUDENTS.—Number of unserved or underserved students in urban schools eligible for assistance under the Head Start Act, chapter 1 of title 1 of the Elementary and Secondary Education Act of 1965, School Dropout Demonstration Assistance Act of 1988, Drug Free Schools and Communities Act of 1986. Carl D. Perkins Vocational and Applied Technology Education Act, Education of the Handicapped Act and other Federal programs.

(4) STUDENT PERFORMANCE.—Program and management efforts in urban schools designed to enhance student performance, and reasons for the effectiveness of such efforts.

(5) FINANCIAL SUPPORT.—Financial support and funding needs of urban schools from local, State, and Federal sources.

(6) COLLABORATE EFFORTS.—Collaborative efforts and programs between urban schools, the private sector, and community groups.

(7) SUPPLY NEEDS.—Supply needs for teachers in urban schools in the 10-year period beginning on the date of enactment of this Act.

(d) REPORTS.—

(1) IN GENERAL.—The Commission shall submit a report that includes recommendations to the President and to the appropriate committees of the Congress on the findings of the study required by this section. The report shall be submitted as soon as practicable.

(2) PROPOSAL FOR CHANGES IN FEDERAL LEGISLATION.—The report submitted under this section shall include proposals for changes in Federal legislation.

(e) STAFF.—Such personnel as the Commission deems necessary may be appointed by the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individ-

ual so appointed shall be paid in excess of the rate of basic pay for level III of the Executive Schedule.

(f) COMPENSATION.—

(1) IN GENERAL.—Members of the Commission who are officers or full-time employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5702 and 5703 of title 5, United States Code.

(3) SPECIAL RULE.—Members of the Commission who are not officers or full-time employees of the United States may receive a per diem and travel allowance as is provided by the United States Code for persons in the Government service employed intermittently.

(g) ADMINISTRATION.—

(1) IN GENERAL.—The Commission or, on the authorization of the Commission, any committee thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and site and act at such times and such places within the United States as the Commission or such committee considers advisable.

(2) CONSULTATION.—In carrying out its duties under this section, the Commission shall consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.

(3) INFORMATION.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish that information to the Commission.

(4) CONTRACTS.—The Commission is authorized to enter into contracts to secure the necessary data and information to conduct its work and to obtain the services of experts and consultants.

(5) COOPERATION.—The heads of all Federal agencies are, to the extent practicable, directed to cooperate with the Commission in carrying out this section.

(6) SPECIAL RULE.—The Commission is authorized to utilize, with the consent of such agencies, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

(h) TERMINATION.—The Commission shall terminate 3 years after the date of its first meeting.

SEC. 12007. EVALUATION.

The Secretary is authorized directly, or through grants or contracts to evaluate the programs and activities funded under this title, broadly disseminate such information to other school districts, and to report the results of such evaluation to the Education and Labor Committee of the House of Representatives and the Labor and Human Resources Committee of the Senate.

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PART B—RURAL EDUCATION DEMONSTRATION GRANTS

SEC. 12101. FINDINGS.

The Congress finds that—

(1) rural schools are essential to national efforts to meet the National Education Goals;

(2) approximately 60 percent of the Nation's public school districts are rural, with populations of less than 2500;

(3) about 1 out of every 4 of America's rural school children are living below the poverty level;

(4) the quality of public education in rural areas has a direct effect on the economic development of our country's rural communities;

(5) the academic performance of students in the average rural school system is below that of students in most other suburban school systems;

(6) the average age of rural public school buildings is more than 45 years old, creating poor and demoralizing working and learning conditions;

(7) shortages of teachers for rural school systems is greater than in other kinds of school systems;

(8) solving the challenges facing the Nation's rural school will require the concerted and collaborative efforts of all levels of government and all sectors of the education community; and

(9) additional Federal funding would contribute significantly to addressing the comprehensive needs of rural schools.

SEC. 12102. STATEMENT OF PURPOSE.

It is the purpose of this part to provide financial assistance to rural schools to encourage innovative school reform programs, the enhanced use of telecommunications technology for learning, and inservice training and teacher recruitment initiatives in cooperation with institutions of higher education designed to augment local school improvement activities.

SEC. 12103. RURAL SCHOOL GRANTS.

(a) AUTHORITY.—The Secretary is authorized to make grants to local education agencies serving rural areas or State educational agencies in the case where the State educational agency is the local educational agency for activities designed to assist in local school improvement efforts.

(b) AUTHORIZED ACTIVITIES.—Funds under this title may be used to—

(1) assist rural schools in meeting National Education goals and undertaking local school improvement initiatives;

(2) develop pilot projects that experiment with innovative ways to teach rural public school children more effectively;

(3) encourage rural school consortia for the purpose of increasing efficiency and course offerings;

(4) provide meaningful inservice training opportunities for rural public school teachers; and

(5) assist rural schools in acquiring and improving access to educational technology, including distance learning technologies.

(c) General Provisions.—Each eligible entity desiring a grant under this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Awards made by the Secretary shall be of sufficient size and scope to achieve significant rural school improvement.

SEC. 12104. HIGHER EDUCATION GRANTS.

(a) Grants.—The Secretary is authorized to make grants to institutions of higher education, consortia of such institutions, or partnerships between institutions of higher education and local education agencies to assist rural schools and local education agencies serving rural areas in undertaking local school improvement activities.

(b) Authorized Activities.—Funds under this section may be used to—

(1) assist rural schools in meeting National Education Goals;

(2) assist in the recruitment and training of teachers in rural schools;

(3) assist rural schools in the development of appropriate innovative school improvement initiatives;

(4) provide inservice training opportunities for teachers in rural schools; and

(5) provide technical assistance in the use and installation of innovative telecommunications technology.

(c) General Provisions.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

SEC. 12105. NATIONAL COMMISSION ON RURAL EDUCATION.

(a) Establishment.—There is established a National Commission on Rural Education.

(b) Membership.—The Commission shall be composed of 12 members, 4 of whom shall be appointed by the President of the United States, 4 of whom shall be appointed by the Speaker of the House upon the recommendation of the majority leader and the minority leader, and 4 of whom shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and the minority leader. A majority of the members of the Commission shall be individuals involved in rural education, with at least 2 individuals involved in rural postsecondary education. The Chair of the Commission shall be elected by the President from among his 4 appointees and shall continue to serve during the duration of the Commission. Vacancies in the Commission shall be filled in the same manner as the original appointment.

(c) Studies.—The Commission shall conduct a full and complete study on the State of rural education in America. Included in this analysis should be the impact of demographic changes in rural schools, the special needs of these schools, the current and future teacher needs of these schools, the effectiveness of existing Federal education programs in meeting the needs of these schools, the adequacy of financial support for these schools, and any other issues that the Commission deems to be important and essential for a com-

plete and exhaustive examination of the state and condition of rural schools in America.

(d) STAFF.—*The Commission may appoint such staff as may be necessary by the Chair without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may pay such staff without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for GS-18 of the General Schedule.*

(e) COMPENSATION AND EXPENSES.—*(1) Members of the Commission who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers and employees of the United States. Such members may be allowed travel expenses and per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.*

(2) Members of the Commission who are not officers or full-time employees of the United States may each receive per diem and travel allowance as is provided by the United States Code for persons in the Government service employed intermittently.

(f) ADMINISTRATION.—*(1) The Commission may organize itself in whatever manner is most appropriate for the conduct of its activities. It may hold such hearings and act at such time and such places within the United States as it may consider advisable. In carrying out its duties, the Commission may consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.*

(2) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section, and each such department bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request by the Chair.

(3) The Commission may enter into contracts for the acquisition of information, suggestions, estimates, and statistics for the purpose of this section. The Commission is authorized to obtain the services of experts and consultants without regard to section 3109 of title 5, United States Code, and to set pay in accordance with such section.

(4) The head of such Federal agency shall, to the extent not prohibited by law, cooperate with the Commission in carrying out this section. The Commission is authorized to utilize, with their consent, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

(g) FINAL REPORT.—*The Commission shall report to Congress its findings not later than 3 years after the date of enactment of this Act. Such report may include legislative recommendations. The Commission may make whatever interim reports to Congress that it deems necessary.*

GENERAL EDUCATION PROVISIONS ACT

[SHORT TITLE; APPLICABILITY; DEFINITIONS; APPROPRIATIONS

[SEC. 400. (a) This title may be cited as the "General Education Provisions Act."

[(b) Except where otherwise specified, the provisions of this title shall apply to any program for which an administrative head of an education agency has administrative responsibility as provided by law or by delegation of authority pursuant to law.

[(c)(1) For the purposes of this title, the term—

[(A) "applicable program" means any program to which this title is, under the terms of subsection (b), applicable;

[(B) "applicable statute" means—

[(i) the Act or the title, part or section of an Act, as the case may be, which authorizes the appropriation for an applicable program;

[(ii) this title; and

[(iii) any other statute which under its terms expressly controls the administration of an applicable program;

[(C) "Assistant Secretary" means the Assistant Secretary of Health, Education, and Welfare for Education;

[(D) "Commissioner" means the Commissioner of Education;

[(E) "Director" means the Director of the National Institute of Education; and

[(F) "Secretary" means the Secretary of Health, Education, and Welfare.

[(2) Nothing in this title shall be construed to affect the applicability of the Civil Rights Act of 1964 to any program subject to the provisions of this title.

[(3) No Act making appropriations to carry out an applicable program shall be considered an applicable statute.

[(d) Except as otherwise limited in this title, there are authorized to be appropriated for any fiscal year such sums as may be necessary to carry out the provisions of this title.

[(e)(1) The aggregate of the appropriations to the agencies in the Education Division and to the Office of Assistant Secretary for any fiscal year shall not exceed the limitations set forth for that fiscal year in subparagraph (2).

[(2)(A) Except as is provided in subparagraph (B), the appropriations to which paragraph (1) applies—

[(i) shall not exceed $7,500,000,000 for the fiscal year ending June 30, 1975, $8,000,000,000 for the fiscal year ending June 30, 1976, and $9,000,000,000 for the fiscal year ending June 30, 1977; and

[(ii) shall not exceed such amounts as may be authorized by the law and limited by this subparagraph.

[(B) The limitations set forth in subparagraph (A) shall not apply—

[(i) to uncontrollable expenditures under obligations created under part B of title IV of the Higher Education Act of 1965, parts C and D of title VII of such Act, and the Emergency Insured Student Loan Act of 1969; and

[(ii) to any other expenditure under an obligation determined by the Commissioner pursuant to, or in accordance with, law to be an uncontrollable expenditure of the Office of Education.]

TITLE; APPLICABILITY; DEFINITIONS

SEC. 400. (a) This title may be cited as the "General Education Provisions Act".

(b)(1) Except as otherwise provided, this title applies to each applicable program of the Department of Education.

(2) Except as otherwise provided, this title does not apply to any contract made by the Department of Education.

(c) As used in this title, the following terms have the following meanings:

(1) The term "applicable program" means any program for which the Secretary or the Department has administrative responsibility as provided by law or by delegation of authority pursuant to law. The term includes each program for which the Secretary or the Department has administrative responsibility under the Department of Education Organization Act or under statutes effective after the effective date of that Act.

(2) The term "applicable statute" means—

(A) the Act or the title, part, section, or any other subdivision of an Act, as the case may be, that authorizes the appropriation for an applicable program;

(B) this title; and

(C) any other statute that by its terms expressly controls the administration of an applicable program.

(3) The term "Department" means the Department of Education.

(4) The term "Secretary" means the Secretary of Education.

(d) Nothing in this title shall be construed to affect the applicability of title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, title V of the Rehabilitation Act of 1973, the Age Discrimination Act, or other statutes prohibiting discrimination, to any applicable program.

[CONTROL OF PAPERWORK

[SEC. 400A. (a)(1)(A) In order to eliminate excessive detail and unnecessary and redundant information requests and to achieve the collection of information in the most efficient and effective possible manner, the Secretary shall coordinate the collection of information and data acquisitioned activities of all Federal agencies, (i) whenever the respondents are primarily educational agencies or institutions, or (ii) whenever the purpose of such activities is to request information needed for the management of, or the formulation of, policy related to Federal education programs or research or evaluation studies related to the implementation of Federal education programs.

[(B) There is hereby established a Federal Education Data Acquisition Council, to consist of members appointed by the Secretary who shall represent the public and the major agencies which collect and use education data, including one representative each of the Office of Management and Budget and of the Office of Federal Statistical Policy and Standards. The members representing the public may be appointed for not more than three years. The Council shall advise and assist the Secretary with respect to the improvement, development, and coordination of Federal education information and data acquisition activities, and shall review the policies, practices, and procedures established by the Secretary. The Council shall meet regularly during the year and shall be headed by an individual from an agency which has expertise in data collection but which undertakes no major data collection of education data.

[(2) For the purposes of this section, the term—

[(A) "information" has the meaning given it by section 3502 of title 44, United State Code;

[(B) "Federal agency" has the meaning given it by section 3502 of the same title; and

[(C) "educational agency or institution" means any public or private agency or institution offering education programs.

[(3)(A) The Secretary shall review and coordinate all collection of information and data acquisition activities described in paragraph (1)(A) of this subsection, in accordance with procedures approved by the Federal Education Data Acquisition Council. Such procedures shall be designed in order to enable the Secretary to determine whether proposed collection of information and data acquisition activities are excessive in detail, unnecessary, redundant, ineffective, or excessively costly, and, if so, to advise the heads of the relevant Federal agencies.

[(B) No collection of information or data acquisition activity subject to such procedures shall be subject to any other review, coordination, or approval procedure outside of the relevant Federal agency, except as required by this subsection and by the Director of the Office of Management and Budget under the rules and regulations established pursuant to chapter 35 of title 44, United States Code. If a requirement for information is submitted pursuant to this Act for review, the timetable for the Director's approval established in section 3507 of the Paperwork Reduction Act of 1980 shall commence on the date the request is submitted, and no independent submission to the Director shall be required under such Act.

[(C) The procedures established by the Secretary shall include a review of plans for evaluations and for research when such plans are in their preliminary stages, in order to give advice to the heads of Federal agencies regarding the data acquisition aspects of such plans.

[(b)(1) The Secretary shall assist each Federal agency in performing the review and coordination required by this section and shall require of each agency a plan for each collection of information and data acquisition activity, which shall include—

[(A) a detailed justification of how information once collected will be used;

[(B) the methods of analysis which will be applied to such data;

[(C) the timetable for the dissemination of the collected data; and

[(D) an estimate of the costs and man-hours required by each educational agency or institution to complete the request and an estimate of costs to Federal agencies to collect, process, and analyze the information, based upon previous experience with similar data or upon a sample of respondents.

[(2) In performing the review and coordination required by this section, the Secretary shall assure that—

[(A) no information or data will be requested of any educational agency or institution unless that request has been approved and publicly announced by the February 15 immediately preceding the beginning of the new school year, unless there is an urgent need for this information or a very unusual circumstance exists regarding it;

[(B) sampling techniques, instead of universal responses, will be used wherever possible, with special consideration being given to the burden being placed upon small school districts, colleges, and other educational agencies and institutions; and

[(C) no request for information or data will be approved if such information or data exist in the same or a similar form in the automated indexing system required to be developed pursuant to subsection (d).

[(3) Each educational agency or institution subject to a request under the collection of information and data acquisition activity and their representative organizations shall have an opportunity, during a thirty-day period, to comment to the Secretary on the collection of information and data acquisition activity. The exact data instruments for each proposed activity shall be available to the public upon request during this comment period.

[(4) No changes may be made in the plans for the acquisition of that information or data, except changes required as a result of the review described in this section, after such plans have been finally approved under this section, unless the changed plans go through the same approval process.

[(5) The Secretary may waive the requirements of this section for individual research and evaluation studies which are not designated for individual project monitoring or review, provided that—

[(A) the study shall be of a nonrecurring nature;

[(B) any educational agency or institution may choose whether or not to participate, and that any such decision shall not be used by any Federal agency for purposes of individual project monitoring or funding decisions;

[(C) the man-hours necessary for educational agencies and institutions to respond to requests for information or data shall not be excessive, and the requests shall not be excessive in detail, unnecessary, redundant, ineffective, or excessively costly; and

[(D) the Federal agency requesting information or data has announced the plans for the study in the Federal Register.

The Secretary shall inform the relevant agency or institution concerning the waiver decision within thirty days following such an announcement, or the study shall be deemed waived and may proceed. Any study waived under the provisions of this subsection shall be subject to no other review than that of the agency requesting information or data from educational agencies or institutions.

[(6) Nothing in this section shall be construed to interfere with the enforcement of the provisions of the Civil Rights Act of 1964 or any other nondiscrimination provision of Federal law.

[(c) The Secretary shall, insofar as practicable, and in accordance with the provisions of this Act, provide educational agencies and institutions and other Federal agencies, pursuant to the requirement of section 406(f)(2)(A), with summaries of information collected and the data acquired by Federal agencies, unless such data were acquired on a confidential basis.

[(d) The Secretary shall, insofar as practicable—

[(1) develop standard definitions and terms consistent, wherever possible, with those established by the Office of Federal Statistical Policy and Standards, Department of Commerce, to be used by all Federal agencies in dealing with education-related information and data acquisition requests;

[(2) develop an automated indexing system for cataloging all available data;

[(3) establish uniform reporting dates among Federal agencies for the information and data acquisition required after review under this section;

[(4) publish annually a listing of education data requests, by Federal agency, and for the programs administered in the Education Division, publish a listing annually of each such program with its appropriation and with the data burden resulting from each such program; and

[(5) require the Federal agency proposing the collection of information or data acquisition activity to identify in its data instrument the legislative authority specifically requiring such collection, if any, and require the responding educational agency or institution to make the same identification if it in turn collects such information or data from other agencies or individuals.

[(e)(1) Subject to the provisions of paragraph (2), the Secretary shall develop, in consultation with Federal and State agencies and local educational agencies, procedures whereby educational agencies and institutions are permitted to submit information required under any Federal educational program to a single Federal or State educational agency.

[(2) Any procedures developed under paragraph (1) shall be considered regulations for the purpose of section 431 and shall be submitted subject to disapproval in accordance with section 431(e) of this Act for a period of not to exceed 60 days computed in accordance with such section.

[(3) The Secretary shall submit a report to the Congress not less than once every three years, describing the implementation of this section. Such report shall contain recommendations for revisions to Federal laws which the Secretary finds are imposing undue burdens on educational agencies and institutions, and such recommendations shall not be subject to any review by any Federal agency outside the Department.

[(f)(1) The Secretary is authorized to make grants from sums appropriated pursuant to this subsection to State educational agencies, including State agencies responsible for postsecondary education, for the development or improvement of education management information systems.

[(2) Any State educational agency is eligible for a grant of funds under this subsection subject to the following conditions:

[(A) The agency agrees to use such funds for the development or improvement of its management information system and agrees to coordinate all data collection for Federal programs administered by the agency through such a system.

[(B) The agency agrees to provide funds to local educational agencies and institutions of higher education for the development or improvement of management information systems when such grants are deemed necessary by the State educational agency.

[(C) The State agency agrees to take specific steps, in cooperation with the Secretary and with local educational agencies or institutions of higher education in the State, as appropriate, to eliminate excessive detail and unnecessary and redundant information requests within the State and to achieve the collection of information in the most efficient and effective possible manner so as to avoid imposing undue burdens on local educational agencies or institutions of higher education.

[(g) For the purpose of carrying out this subsection—

[(1) there are authorized to be appropriated for salaries and expenses $600,000 for fiscal year 1979, $1,000,000 for fiscal year 1980, and $1,200,000 for each of the two succeeding fiscal years;

[(2) there are authorized to be appropriated for grants under subsections (f) (1) and (2) the sums of $5,000,000 for fiscal year 1979, $25,000,000 for fiscal year 1980, and $50,000,000 for each of the two succeeding fiscal years; and

[(3) the sums appropriated according to paragraphs (1) and (2) shall be appropriated as separate line items.

[PART A—EDUCATION DIVISION OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[THE EDUCATION DIVISION

[SEC. 401. (a) There shall be, within the Department of Health, Education, and Welfare, an Education Division, composed of the agencies listed in subsection (b), which shall be headed by the Assistant Secretary.

[(b)(1) The Education Division shall be composed of the following agencies:

[(A) The Office of Education; and

[(B) The National Institute of Education.

[(2) In the Office of the Assistant Secretary there shall be a National Center for Education Statistics.

[ASSISTANT SECRETARY FOR EDUCATION

[SEC. 402. (a) There shall be in the Department of Health, Education, and Welfare an Assistant Secretary for Education, who shall be appointed by the President by and with the advice and consent of the Senate. The Assistant Secretary for Education shall be compensated at the rate specified for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

[(b) The Assistant Secretary shall be the principal officer in the Department to whom the Secretary shall assign responsibility for the direction and supervision of the Education Division.

[THE OFFICE OF EDUCATION

[SEC. 403. (a) There shall be an Office of Education (hereinafter in this section referred to as the "Office") which shall be the primary agency of the Federal Government responsible for the administration of programs of financial assistance to educational agencies, institutions, and organizations. The Office shall have such responsibilities and authorities as may be vested in the Commissioner by law or delegated to the Commissioner in accordance with law.

[(b) The Office shall be headed by the Commissioner of Education who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be subject to the direction and supervision of the Secretary.

[(c)(1) The Office shall, consistent with such organization thereof which is provided by law, be divided into bureaus, and such bureaus shall be divided into divisions as the Commissioner determines appropriate.

[(2)(A) There shall be regional offices of the Office established in such places as the Commissioner, after consultation with the Assistant Secretary, shall determine. Such regional offices shall carry out such functions as are specified in subparagraph (B).

[(B) The regional offices shall serve as centers for the dissemination of information about the activities of the agencies in the Education Division and provide technical assistance to State and local educational agencies, institutions of higher education, and other educational agencies, institutions, and organizations and to individuals and other groups having an interest in Federal education activities.

[(C) The Commissioner shall not delegate to any employee in any regional office any function which was not carried out, in accordance with regulations effective prior to June 1, 1973, by employees in such offices unless the delegation of such function to employees in regional offices is expressly authorized by law enacted after the enactment of the Education Amendments of 1974.

[(d)]

PART A—FUNCTIONS OF THE DEPARTMENT OF EDUCATION

OFFICE OF NON-PUBLIC EDUCATION

SEC. 401. [(1)] *(a)* There shall be, in the Office of Education, an Office of Non-Public Education to insure the maximum potential participation of nonpublic school students in all Federal educational programs for which such children are eligible.

[(2)] *(b)* The Office shall be headed by the Deputy Commissioner for Non-Public Education, who shall be appointed by the Commissioner.

[OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

[SEC. 405. (a)(1) The Congress declares it to be the policy of the United States to provide to every individual an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, age, handicap, national origin, or social class. Although the American educational system has pursued this objective, it has not attained the objective. Inequalities of opportunity to receive high quality education remain pronounced. To achieve the goal of quality education requires the continued pursuit of knowledge about education through research, improvement activities, data collection, and information dissemination. While the direction of American education remains primarily the responsibility of State and local governments, the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process.

[(2) The Congress further declares it to be the policy of the United States to—

[(A) promote the quality and equity of American education,

[(B) advance the practice of education as an art, science, and profession;

[(C) support educational research of the highest quality;

[(D) strengthen the educational research and development system;

[(E) improve educational techniques and training;

[(F) assess the national progress of this Nation's schools and educational institutions, particularly special populations; and;

[(G) collect, analyze, and disseminate statistics and other data related to education in the United States and other nations.

[(3) For purposes of this section—

[(A) the term "Assistant Secretary" means the Assistant Secretary for Educational Research and Improvement established by section 202 of the Department of Education Organization Act;

[(B) the term "Council" means the National Advisory Council on Educational Research and Improvement established by subsection (c);

[(C) the term "educational research" includes basic and applied research, development, planning, surveys, assessments, evaluations, investigations, experiments, and demonstrations in the field of education and other fields relating to education;

[(D) the term "Office" means the Office of Educational Research and Improvement established by section 209 of the Department of Education Organization Act; and

[(E) the terms "United States" and "State" include the District of Columbia and the Commonwealth of Puerto Rico.

[(b)(1) It shall be the purpose of the Office to carry out the policies set forth in subsection (a) of this section. The Office shall be administered by the Assistant Secretary and shall include—

[(A) the National Advisory Council on Educational Research and Improvement established in subsection (c);

[(B) the Center for Education Statistics established by section 406; and

[(C) such other units as the Secretary deems appropriate to carry out the purposes of the Office.

[(2) The Office shall, in accordance with the provisions of this section, seek to improve education in the United States through concentrating the resources of the Office on the priority research and development needs described in paragraph (3).

[(3) The needs to which paragraph (2) apply are—

[(A) improving student achievement;

[(B) improving the ability of schools to meet their responsibilities to provide equal educational opportunities for all students, including those with limited English-speaking ability, women, older students, part-time students, minority students, gifted and talented students, handicapped students, and students who are socially, economically, or educationally disadvantaged;

[(C) collecting, analyzing, and disseminating statistics and other data related to education in the United States and other nations;

[(D) improving the dissemination and application of knowledge obtained through educational research and data gathering, particularly to education professionals and policy makers;

[(E) encouraging the study of the sciences, the arts, and the humanities, including foreign languages and cultures;

[(F) improving the data base of information on special populations and their educational status;

[(G) conducting research on adult educational achievement, particularly literacy and illiteracy as it affects employment, crime, health, and human welfare;

[(H) conducting research on postsecondary opportunities, especially access for minorities and women; and

[(I) conducting research on education professionals, especially at the elementary and secondary levels including issues of recruitment, training, retention, and compensation.

[(4) The Secretary shall publish proposed research priorities in the Federal Register every two years, not later than October 1, and shall allow a period of sixty days for public comments and suggesions.

[(c)(1) The Council shall consist of fifteen members appointed by the President, by and with the advice and consent of the Senate. In addition, there shall be such ex officio members who are officers of the United States as the President may designate, including the Assistant Secretary. A majority of the appointed members of the Council shall constitute a quorum. The Chairman of the Council shall be designated by the President from among the appointed members. Ex officio members shall not have a vote on the Council. The members of the Council shall be appointed to ensure that the Council is broadly representative of the general public; the education professions, including practitioners; policymakers and researchers; and the various fields and levels of education.

[(2)(A) Except as provided in subparagraph (B), members shall be appointed to terms of three years.

[(B) Of the members first appointed—

[(i) five shall be apointed for terms of one year;

[(ii) five shall be appointed for terms of two years; and

[(iii) five shall be appointed for terms of three years;

as designated by the President at the time of appointment.

[(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of a term until a successor has taken office.

[(D) An appointed member who has been a member of the Council for six consecutive years shall be ineligible for appointment to the Council during the two-year period following the expiration of the sixth year.

[(3) The Council shall—

[(A) advise the Secretary and the Assistant Secretary on the policies and activities carried out by the Office;

[(B) review and publicly comment on the policies and acitvities of the Office;

[(C) conduct such activities as may be necessary to fulfill its functions under this subsection;

[(D) prepare such reports to the Secretary on the activities of the Office as are appropriate; and

[(E) submit, no later than March 31 of each year, a report to the President and the Congress on the activities of the Office, and on education, educational research, and data gathering in general.

[(d)(1) In order to carry out the objectives of the Office under this section, the Secretary within the limits of available resources shall—

[(A) conduct educational research;

[(B) collect, analyze, and disseminate the findings of education reserach;

[(C) train individuals in educational research;

[(D) assist and foster such research, collection, dissemination, and training through grants, cooperative agreements, and technical assistance;

[(E) promote the coordination of educational research and research support within the Federal Government and otherwise assist and foster such research; and

[(F) collect, analyze, and disseminate statistics and other data related to education in the United States and other nations.

[(2)(A) The Secretary may appoint, for terms not to exceed three years (without regard to the provisions of title 5 of the United States Code governing appointment in the competitive service) and may compensate (without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates) such scientific or professional employees of the Office as the Secretary considers necessary to accomplish its functions. The Secretary may also appoint and compensate not more than one-fifth of the number of full-time, regular scientific or professional employees of the Office without regard to such provisions. The rate of basic pay for such employees may not exceed the maximum annual rate of pay for grade GS–15 under section 5332 of title 5 of the United States Code, except that the pay of any employee employed before the date of enactment of the Higher Education Amendments of 1986 shall not be reduced by application of such maximum pay limitation.

[(B) The Secaretary may reappoint employees described in subparagraph (A) upon presentation of a clear and convincing justification of need, for one additional term not to exceed three years. All such employees shall work on activities of the Office and shall not be reassigned to other duties outside the Office during their term.

[(C) Individuals who are employed on the date of enactment of this Act and were employed by such Office on April 1, 1986, and who were employed under excepted hiring authority provided by section 209 of the Department of Education Organization Act or this section may continue to be employed for the duration of their current term.

[(3)(A) The Secretary may carry out the activities in paragraph (1)—

[(i) directly;

[(ii) through grants, contracts, and cooperative agreements with institutions of higher education, public and private organizations, institutions, agencies, and individuals; and

[(iii) through the provision of technical assistance.

[(B) When making competitive awards under this subsection, the Secretary shall—

[(i) solicit recommendations and advice regarding research priorities, opportunities, and strategies from qualified experts, such as education professionals and policymakers, personnel of the regional education laboratories and of the research and development centers supported under paragraph (4), and the Council, as well as parents and other members of the general public;

[(ii) employ suitable selection procedures utilizing the procedures and principles of peer review, except where such peer review procedures are clearly inappropriate given such factors as the relatively small amount of a grant or contract or the exigencies of the situation; and

[(iii) determine that the activities assisted will be conducted efficiently, will be of high quality, and will meet priority research and development needs under this section.

[(C) Whenever the Secretary enters into a cooperative agreement under this section, the Secretary shall negotiate any subsequent modifications in the cooperative agreement with all parties to the agreement affected by the modifications.

[(4)(A) In carrying out the functions of the Office, the Secretary shall, in accordance with the provisions of this subsection, support—

[(i) regional educational laboratories established by public agencies or private nonprofit organizations to serve the needs of a specific region of the Nation under the guidance of a regionally representative governing board, the regional agendas of which shall, consistent with the priority research and development needs established by subsection (b) (2) and (3), be determined by the governing boards of such labs;

[(ii) research and development centers established by institutions of higher education, by institutions of higher education in consort with public agencies or private nonprofit organizations, or by interstate agencies established by compact which operate subsidiary bodies established to conduct postsecondary educational research and development;

[(iii) meritorious unsolicited proposals for educational research and related activities that are authorized by this subsection; and [(iv) proposals that are specifically invited or requested by the Secretary, on a competitive basis, which meet objectives authorized by this subsection.

[(B) Prior to awarding a grant or entering into a contract for a regional educational laboratory or research and development center under subparagraph (A)(i) or (A)(ii), the Secretary shall invite applicants to compete for such laboratories and centers through notice published in the Federal Register.

[(C) Each application for assistance under subparagraph (A) (i) or (ii) as a regional educational laboratory or a research and development center shall contain such information as the Secretary may reasonably require, including assurances that the applicant will—

[(i) be responsible for the conduct of the research and development activities;

[(ii) prepare a long-range plan relating to the conduct of such research and development activities;

[(iii) ensure that information developed as a result of such research and development activities, including new educational methods, practices, techniques, and products, will be appropriately disseminated;

[(iv) provide technical assistance to appropriate educational agencies and institutions; and

[(v) to the extent practicable, provide training for individuals, emphasizing training opportunities for women and members of minority groups, in the use of new educational methods, practices, techniques, and products developed in connection with such activities.

[(D) No grant may be made and no contract entered into for assistance described under subparagraph (A) (i) or (ii) unless—

[(i) proposals for assistance under this subsection are solicited from regional educational laboratories and research and development centers by the Office;

[(ii) proposals for such assistance are developed by the regional educational laboratories and the research and development centers in consultation with the Office; and

[(iii) the Office determines that the proposed activities will be consistent with the education research and development program and dissemination activities which are being conducted by the Office.

[(E) No regional educational laboratory or research and development center receiving assistance under this subsection shall, by reason of the receipt of that assistance, be ineligible to receive any other assistance from the Office authorized by law.

[(F) The Secretary shall make available adequate funds to support meritorious, unsolicited proposals as described under subparagraph (A)(iii), and provide sufficient notice of the availability of such funds to individual researchers in all regions of the country.

[(5) The Secretary, from funds appropriated under this section, may establish and maintain research fellowships in the Office, for scholars, researchers, and statisticians engaged in the collection and dissemination of information about education and educational research. Subject to regulations published by the Secretary, fellowships may include such stipends and allowance, including travel and subsistence expenses provided for under title 5, United States Code, as the Secretary considers appropriate.

[(6) The Secretary may award grants to institutions of higher education, including technical and community colleges as appropriate, to assess the new and emerging specialties and the technologies, academic subjects, and occupational areas requiring vocational education, with emphasis on the unique needs for preparing an adequate supply of vocational teachers of handicapped students. The Secretary shall give special consideration to the preparation required to teach classrooms of handicapped, or other highly targeted groups of students, in combination with other nonhandicapped or other nontargeted students, within the same vocational education setting.

[(e)(1) There are authorized to be appropriated to carry out this section, $72,231,000 for fiscal year 1987 and such sums as may be necessary for each of the four succeeding fiscal years.

[(2) The Secretary may not enter into a contract for the purpose of regional educational laboratories under subsection (d)(3)(A)(i) for a period in excess of five years.

[(3) Not less than 95 per centum of funds appropriated pursuant to this subsection for any fiscal year shall be expended to carry out this section through grants, cooperative agreements, or contracts.

[(4) When more than one Federal agency uses funds to support a single project under this section, the Office may act for all such agencies in administering those funds.

[(f)(1) In each fiscal year for which the total amount appropriated to carry out this section and section 406 of this Act equals or exceeds the total amount appropriated for fiscal year 1986 to carry out such sections—

[(A) not less than $17,760,000 shall be available in each fiscal year to carry out subsection (d)(4)(A)(ii) of this section (relating to centers);

[(B) not less than $17,000,000 shall be available in each fiscal year to carry out subsection (d)(4)(A)(i) of this section (relating to labs);

[(C) not less than $5,700,000 shall be available in each fiscal year to assist a separate system of 16 education resources information clearinghouses (including direct supporting dissemination services) pursuant to subsection (d)(3)(A) of this section, having the same functions and scope of work as the clearinghouses had on the date of enactment of the Higher Education Amendments of 1986;

[(D) Not less than $9,500,000 for the fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 through 1994, shall be available to carry out section 406(i) of this Act (relating to the National Assessment of Education Progress);

[(E) not less than $8,750,000 shall be available in each fiscal year to carry out section 406 of this Act, except for subsection (i) of that section (relating to the Center for Educational Statistics); and

[(F) not less than $500,000 shall be available in each fiscal year to carry out subsection (d)(4)(A)(iii) of this section (relating to field initiated research).

[(2) If the sums appropriated for any fiscal year are less than the amount required to be made available under subparagraphs (A) through (F) of paragraph (1), then each of the amounts required to be made available under such subparagraphs shall be ratably reduced. If additional amounts become available for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced.

[NATIONAL CENTER FOR EDUCATION STATISTICS

[SEC. 406. (a)(1) There is established, within the Office of Educational Research and Improvement, a National Center for Education Statistics (hereafter in this section referred to as the "Center").The general design and duties of the National Center for Education Statistics shall be to acquire and diffuse among the people of the United States useful statistical information on subjects connected with education (in the most general and comprehensive sense of the word) particularly the retention of students, the assessment of their progress, the financing of institutions of education, financial aid to students, the supply of and demand for teachers and other school personnel, libraries, comparisons of the education of the United States and foreign nations and the means of promoting material, social, and intellectual prosperity through education.

[(2)(A) The Center shall be headed by a Commissioner of Education Statistics who shall be appointed by the President, by and with the advice and consent of the Senate. The Commissioner of the National Center for Education Statistics shall have substantial experience and knowledge of programs encompassed by the National Center. The Commissioner shall be paid in accordance with section 5315 of title 5, United States Code. The Commissioner shall serve for terms of 4 years, except that the initial appointment shall commence June 21, 1991.

[(B) There shall be within the Center (i) an Associate Commissioner for Statistical Standards and Methodology who shall be qualified in the field of mathematical statistics or statistical methodology; and (ii) an Associate Commissioner for Data Collection and Dissemination, who shall be an individual who has extensive knowledge of uses of statistics for policy purposes at all levels of American education, and who shall promote the participation of States, localities, and institutions of higher education in designing education statistics programs, encourage widespread dissemination and use of the Center's data, and promote United States participation in international and regional education statistics. The Commissioner may appoint such other Associate Commissioners as may be necessary and appropriate.

[(b) The purpose of the Center shall be to collect, and analyze and disseminate statistics and other data related to education in the United States and in other nations. The Center shall—

[(1) if feasible, on a State-by-State basis, collect, collate, and, from time to time, report full and complete statistics on the conditions of education in the United States;

[(2) conduct and publish reports on specialized analyses of the meaning and significance of such statistics;

[(3) assist State and local educational agencies, including State agencies responsible for postsecondary education, in improving and automating their statistical and data collection activities (and shall establish a special program to train employees of such State and local agencies in the use of the Center's standard statistical procedures and concepts and may establish a fellows program to temporarily appoint such employees as fellows at the Center for the purpose of familiarization with the operations of the Center);

[(4) review and report on educational activities in foreign countries;

[(5) conduct a continuing survey of institutions of higher education and local educational agencies to determine the demand for, and the availability of, qualified teachers and administrative personnel, especially in critical areas within education which are developing or are likely to develop, and assess the extent to which programs administered in the Department of Education are helping to meet the needs identified as a result of such continuing survey; and

[(6) access periodically the current and projected supply and demand for elementary and secondary school teachers (including teachers at the pre-school level) and early childhood education development personnel with particular attention to—

[(A) long-term and short-term needs for personnel in various subject areas or teaching specialities;

[(B) shortages in particular types of schools or communities, and in States or regions;

[(C) the number of minorities entering teaching;

[(D) the proportions of women and minorities in educational administration, and the trends over time;

[(E) the demographic characteristics, academic qualifications, job preparation, experience and skills of existing teachers and new entrants in the field of education;

[(F) the effect of the introduction of State mandated teacher competency tests on the demographic and educational characteristics of teachers and the supply of teachers; and

[(G) the rate at which teachers leave teaching, their reasons for leaving, the sources of supply for new entrants, and the trends over time.

[(c)(1) There shall be an Advisory Council on Education Statistics which shall be composed of 7 public members appointed by the Secretary and such ex officio members as are listed in subparagraph (2). Not more than 4 of the appointed members of the Council may be members of the same political party.

[(2) The ex officio members of the Council shall be—

[(A) the Assistant Secretary,

[(B) the Director of the Census,

[(C) the Commissioner of Labor Statistics,

[(D) Commissioner of Education Statistics, and;

[(E) Chairman, National Commission on Libraries and Information Science.

[(3) Appointed members of the Council shall serve for terms of 3 years, as determined by the Secretary, except that in the case of initially appointed members of the Council, they shall serve for shorter terms to the extent necessary that the terms of office of not more than 3 members expire in the same calendar year.

[(4) The Commissioner of Education Statistics shall serve as the non-voting presiding officer of the Council.

[(5)(A) The Council shall meet at the call of the presiding officer, except that it shall meet—

[(i) at least four times during each calendar year; and

[(ii) in addition, whenever three voting members request in writing that the presiding officer call a meeting.

[(B) Six members of the Council shall constitute a quorum of the Council.

[(6) The provisions of section 448(b) of part D of this title shall not apply to the Council established under this subsection.

[(7) The Council shall review general policies for the operation of the Center and shall be responsible for advising on standards to insure that statistics and analyses disseminated by the Center are of high quality and are not subject to political influence.

[(8) The Commissioner may appoint such other ad hoc advisory committees as the Commissioner considers necessary.

[(d)(1) The Commissioner shall, not later than June 1 of each year, submit to the Congress an annual report which—

[(A) contains a description of the activities of the Center during the then current fiscal year and a projection of its activities during the succeeding fiscal year;

[(B) sets forth estimates of the cost of the projected activities for such succeeding fiscal year; and

[(C) includes a statistical report on the condition of education in the United States during the two preceding fiscal years and a projection, for the three succeeding fiscal years, of estimated statistics related to education in the United States.

[(2) The Secretary shall submit annually a report to the Congress giving information of the State of Education in the Nation. In such report the Secretary shall clearly set forth the Secretary's views of critical needs in education and the most effective manner in which the nation and the Federal Government may address such needs.

[(3) The Center shall develop and enforce standards designed to protect the confidentiality of persons in the collection, reporting, and publication of data under this section. This subparagraph shall not be construed to protect the confidentiality of information about institutions, organizations, and agencies receiving grants from or having contracts with the Federal Government.

[(4)(A) Except as provided in this section, no person may—

[(i) use any individually identifiable information furnished under the provisions of this section for any purpose other than statistical purposes for which it is supplied;

[(ii) make any publication whereby the data furnished by any particular person under this section can be identified; or

[(iii) permit anyone other than the individuals authorized by the Commissioner to examine the individual reports; or

[(B) No department, bureau, agency, officer, or employee of the Government, except the Commissioner of Education Statistics in carrying out the purposes of this section, shall require, for any reason, copies of reports which have been filed under this section with the Center for Education Statistics or retained by any individual respondent. Copies of such reports which have been so retained or filed with the Center or any of its employees or contractors or agents shall be immune from legal process, and shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding. This subsection shall only apply to individually identifiable data (as defined in subparagraph (E)).

[(C) Whoever, being or having been an employee or staff member appointed under the authority of the Commissioner or in accordance with this section of the Act, having taken and subscribed the oath of office, or having sworn to observe the limitations imposed by subsection (a), knowingly publishes or communicates any individually identifiable information (as defined in subparagraph (E)), the disclosure of which is prohibited under the provisions of subparagraph (A), and which comes into his or her possession by reason of employment (or otherwise providing services) under the provisions of this section, shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

[(D) The Commissioner may utilize temporary staff, including employees of Federal, State, or local agencies or instrumentalities including local education agencies, and employees of private organizations to assist the Center in performing the work authorized by this section, but only if such temporary staff is sworn to observe the limitations imposed by this section.

[(E) No collection of information or data acquisition activity undertaken by the Center shall be subject to any review, coordination or approval procedure except as required by the Director of the Office of Management and Budget under the rules and regulations established pursuant to chapter 35 of title 44, United States Code.

[(F) For the purposes of this section—

[(i) the term "individually identifiable information" means any record, response form, completed survey or aggregation thereof from which information about individual students, teachers, administrators or other individual persons may be revealed;

[(ii) the term "report" means a response provided by or about an individual to an inquiry from the Center and does not include a statistical aggregation from which individually identifiable information cannot be revealed; and

[(iii) as used in clause (i), the term "persons" does not include States, local educational agencies, or schools.

[(G)(i) This paragraph shall not apply to—

[(I) the survey required by section 1303(c) of the Higher Education Amendments of 1986; or

[(II) to any longitudinal study concerning access, choice, persistence progress, or attainment in postsecondary education.

[(ii) Any person, except those sworn to observe the limitation of this subsection, who uses any data as described in clause (i) provided by the Center, in conjunction with any other information or technique (including de-encryption), to identify any individual student, teacher, administrator, or other person and who discloses, publishes, or uses for a purpose other than that for which it was collected, or who otherwise violates clause (i) or (ii) of subparagraph (A), shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

[(iii) No employee or staff member of the Center or of an institution of higher education may be found criminally liable under subparagraph (C), based on a violation of subparagraph (A) or clause (i), if such employee or staff member has taken reasonable precautions, consistent with the purpose of this section, to ensure the confidentiality of data made available to the public.

[(H) Nothing in this paragraph shall restrict the right of the Comptroller General of the United States and the Librarian of Congress to gain access to any reports or other records, including information identifying individuals, in the Center's possession, except that the same restrictions on disclosure that apply to the Center under subparagraphs (B) and (G) shall apply to the General Accounting Office and the Library of Congress.

[(e)(1) The Center is authorized to furnish transcripts or copies of tables and other statistical records and make special statistical compilations and surveys for State and local officials, public and private organizations, and individuals. The Center shall provide State and local educational agencies opportunities to suggest the development of particular compilations of statistics, surveys, and analyses that would assist those educational agencies. The Center shall furnish such special statistical compilations and surveys as the Committees on Labor and Human Resources and on Appropriations of the Senate and the Committees on Education and Labor and on Appropriations of the House of Representatives may request. Such statistical compilations and surveys, other than those carried out pursuant to the preceding sentence, shall be made subject to the payment of the actual or estimated cost of such work. In the case of nonprofit organizations or agencies, the Secretary may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Secretary: *Provided*, That the purposes of such projects are otherwise authorized by law. All funds received in payment for work or services described in this paragraph shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

[(2)(A) The Center shall participate with other Federal agencies having a need for educational data in forming a consortium for the purpose of providing direct joint access with such agencies to all educational data received by the Center through automated data processing. The Library of Congress, General Accounting Office, and the Committees on Labor and Human Resources and Appropriations of the Senate and the Committees on Education and Labor and Appropriations of the House of Representatives shall, for the purposes of this subparagraph, be considered Federal agencies.

[(B) The Center shall, in accordance with regulations published for the purpose of this paragraph, provide all interested parties, including public and private agencies and individuals, direct access to data collected by the Center for purposes of research and acquiring statistical information.

[(3) In carrying out any authorized responsibilities under this section, the Commissioner may enter into contracts under regular competitive procedures of the Federal Government or other financial arrangements. Contracts or financial arrangements may also include sole source contracts with States, additional institutions, organizations performing international studies, and associations that are nationally representative of a wide variety of States or nonpublic schools. The Commissioner shall submit annually a report to the appropriate committees of the Congress, listing each sole source contract, its purpose, and the reasons why competitive bidding was not feasible in each such instance.

[(4) The Commissioner is authorized to prepare and publish such information and documents as may be of value in carrying out the purposes of this section. Periodically, the Commissioner shall issue a regular schedule of publications.

[(5) In addition to the condition of education report under subsection (d), the Commissioner is authorized to make special reports on particular subjects whenever required to do so by the President or either House of Congress or when considered appropriate by the Commissioner.

[(6) The Commissioner is authorized to use information collected by other offices in the Department of Education and by other executive agencies and to enter into interagency agreements for the collection of statistics for the purposes of this section. The Commissioner is authorized to arrange with any agency, organization, or institution for the collection of statistics for the purposes of this section and may assign employees of the Center to any such agency, organization, or institution to assist in such collection.

[(7) The Commissioner is authorized to use the statistical method known as sampling to carry out this section. Data may be collected from States, local educational agencies, schools, libraries, administrators, teachers, students, the general public, and such other individuals, persons, organizations, agencies, and institutions as the Commissioner may consider appropriate.

[(8) To assure the technical quality and the coordination of statistical activities of the Department, the Commissioner shall provide technical assistance to Department offices that gather data for statistical purposes. Such assistance may include a review of and advice on data collection plans, survey designs and pretests, the management of data, and the quality of reporting of data.

[(9) The Commissioner is authorized to—

[(A) select, appoint, and employ such officers and employees as may be necessary to carry out the functions of the Center, subject to the provisions of title 5, United States Code (governing appointments in the competitive service), and the provisions of chapter 51 and subchapter III of chapter 53 of such title (relating to classification and General Schedule pay rates); and

[(B) notwithstanding any other provision of this Act, to obtain services as authorized by section 3109 of title 5, United States Code, at a rate not to exceed the equivalent daily rate payable for grade GS–18 of the General Schedule under section 5332 of such title.

[(f)(1) There are authorized to be appropriated for the purposes of this section (including salaries and expenses) $42,323,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, 1993, and 1994.

[(2) The Commissioner may contract with States to carry out subsection (h). Such contracts may not exceed the additional cost to the State—

[(A) of meeting the information and data gathering requirements in compliance with such subsection; or

[(B) for compliance with related efforts of the National Center for Education Statistics to achieve comparable and uniform data consistent with the purposes of this subsection.

[(g)(1) In addition to its other responsibilities, the Center shall collect uniform data from the States on the financing of elementary and secondary education. Each State receiving funds under the Education Consolidation and Improvement Act of 1981 shall cooperate with the Center in this effort.

[(2) In addition to other duties of the Commissioner under this section, it shall be the responsibility of the Commissioner to issue regular public reports to the President and Congress on dropout and retention rates, results of education, supply and demand of teachers and school personnel, libraries, financial aid and on such other education indicators as the Commissioner determines to be appropriate.

[(3) The Commissioner shall establish a special study panel to make recommendations concerning the determination of education indicators for study and report under paragraph (2). Not more than 18 months after the date of the enactment of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, the Commissioner shall submit the report of the panel to the appropriate committees of the Congress. The panel shall cease to exist 6 months after the date of such submission.

[(4)(A) The Center shall conduct an annual national survey of dropout and retention rates as an education indicator.

[(B) The Commissioner shall appoint a special task force to develop and test an effective methodology to accurately measure dropout and retention rates. Not later than 1 year after the date of enactment of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, the task force shall submit a report of its recommendations, including procedures for implementation of such recommendations, to the Commissioner and the appropriate committees of the Congress.

[(C) On the second Tuesday after Labor Day of 1989 and on each such Tuesday thereafter, the Center shall submit a report to the appropriate committees of the Congress of the dropout and retention rate prevailing on March 30 of each such year.

[(5)(A) As of March 30, 1990, and not less than every 3 years thereafter, the Center shall conduct a national study and survey of financial aid in accordance with the provisions of section 1303(c) of the Higher Education Amendments of 1986. The Center shall submit a report to the appropriate committees of the Congress concerning the findings of such study

[(B) Concurrent with each survey, the Center shall conduct longitudinal studies of freshman and graduating students concerning access, choice, persistence progress, curriculum and attainment. Such studies shall evaluate such students at 3 points over a 6-year interval.

[(6) On April 1, 1993, and every 10 years thereafter, the Center shall submit a report to the appropriate committees of the Congress concerning the social and economic status of children who reside in the areas served by different local educational agencies. Such report shall be based on data collected during the most recent decennial census.

[(7) The Center shall conduct a study of a statistically relevant sample of students enrolled in elementary and secondary, school and postsecondary education training concerning educational progress, intellectual development, and economic prosperity. The study shall collect data on participation in higher education, including enrollment, persistence, and attainment. Such study shall evaluate such students by such criteria at 2-year intervals. As of February 1, 1989, and every 8 years thereafter, the Commissioner shall select a sample of students enrolled in school for this study.

[(8) The Center with the assistance of State library agencies, shall develop and support a cooperative system of annual data collection for public libraries. Participation shall be voluntary; however, all States should be encouraged to join the system. Attention should be given to insuring timely, consistent and accurate reporting.

[(9) The National Center for Education Statistics shall conduct a study on the effects of higher standards prompted by school reform efforts on student enrollment and persistence. The study shall examine academic achievement, and graduation rates of low-income, handicapped, limited English proficient, and educationally disadvantaged students.

[(h)(1) There is established within the Center a National Cooperative Education Statistics System (hereafter referred to in this subsection as the "System"). The purpose of the System is to produce and maintain, with the cooperation of the States, comparable and uniform educational information and data that are useful for policymaking at the Federal, State, and local level.

[(2) Each State that desires to participate in the system shall—

[(A) first develop with the Center the information and data-gathering requirements that are needed to report on the condition and progress of elementary and secondary education in the United States, such as information and data on—

[(i) schools and school districts;

[(ii) students and enrollments, including special populations;

[(iii) the availability and use of school libraries and their resources;

[(iv) teachers, librarians, and school administrators;

[(v) the financing of elementary and secondary education;

[(vi) student outcomes, including scores on standardized tests and other measures of educational achievement; and

[(vii) the progress of education reform in the States and the Nation; and

[(B) then enter into an agreement with the Center for that fiscal year to comply with those information and data-gathering requirements.

[(3) To establish and maintain the system, the Commissioner—

[(A) shall—

[(i) provide technical assistance to the States regarding the collection, maintenance, and use of the System's data, including the timely dissemination of such data; and

[(ii) to the extent possible, implement standard definitions and data collection procedures; and

[(B) may—

[(i) directly, or through grants, cooperative agreements, or contracts, conduct research, development, demonstration, and evaluation activities that are related to the purposes of the System; and

[(ii) prescribe appropriate guidelines to ensure that the statistical activities of the States participating in the System produce data that are uniform, timely, and appropriately accessible.

[(i)(1) With the advice of the National Assessment Governing Board established by paragraph (5)(a)(i), the Commissioner shall carry out, by grants, contracts, or cooperative agreements with qualified organizations, or consortia thereof, a National Assessment of Educational Progress. The National Assessment of Educational Progress shall be placed in the National Center for Education Statistics and shall report directly to the Commissioner for Educational Statistics. The purpose of the National Assessment is the assessment of the performance of children and adults in the basic skills of reading, mathematics, science, writing, history/geography, and other areas selected by the Board.

[(2)(A) The National Assessment shall provide a fair and accurate presentation of educational achievement in skills, abilities, and knowledge in reading, writing, mathematics, science, history/geography, and other areas specified by the Board, and shall use sampling techniques that produce data that are representative on a national and regional basis and on a State basis pursuant to subparagraphs (C)(i) and (C)(ii). In addition, the National Assessment shall—

[(i) collect and report data on a periodic basis, at least once every 2 years for reading and mathematics; at least once every 4 years for writing and science; and at least once every 6 years for history/geography and other subject areas selected by the Board;

[(ii) collect and report data every 2 years on students at ages 9, 13, and 17 and in grades 4, 8, and 12;

[(iii) report achievement data on a basis that ensures valid reliable trend reporting;

[(iv) include information on special groups.

[(B) In carrying out the provisions of subparagraph (A), the Secretary and the Board appointed under paragraph (5) shall assure that at least 1 of the subject matters in each of the 4 and 6 year cycles described in subparagraph (A)(i) will be included in each 2 year cycle Assessment.

[(C)(i) The National Assessment shall develop a trial mathematics assessment survey instrument for the eighth grade and shall conduct a demonstration of the instrument in 1990 in States which wish to participate, with the purpose of determining whether such an assessment yields valid, reliable State representative data.

[(ii) The National Assessment shall conduct a trial mathematics assessment for the fourth and eighth grades in 1992 and, pursuant to subparagraph (6)(D), shall develop a trial reading assessment to be administered in 1992 for the fourth grade in States which wish to participate, with the purpose of determining whether such an assessment yields valid, reliable State representative data.

[(iii) The National Assessment shall—

[(I) conduct, in 1994, a trial mathematics assessment for the 4th and 8th grades, and a trial reading assessment for the 4th grade, in States that wish to participate, with the purpose of determining whether such assessments yield valid and reliable State representative data;

[(II) develop a trial mathematics assessment for the 12th grade, and a trial reading assessment for the 8th and 12th grades, to be administered in 1994 in States that wish to participate, with the purpose of determining whether such assessments yield valid and reliable State representative data; and

[(III) include in each such sample assessment described in subclauses (I) and (II) students in public and private schools in a manner that ensures comparability with the national sample.

[(iv) The National Assessment shall ensure that a representative sample of students participate in such assessments.

[(v) No State may agree to participate in the demonstration described in this subsection without full knowledge of the process for consensus decisionmaking on objectives to be tested, required in paragraph (6)(E), and of assessment demonstration standards for sampling, test administration, test security, data collection, validation and reporting. States wishing to participate shall sign an agreement developed by the Commissioner. A participating State shall review and give permission for release of results from any test of its students administered as a part of this demonstration prior to the release of such data. Refusal by a State to release its data shall not restrict the reporting of data from other States that have approved the release of such data.

[(vi) The Commissioner shall provide for an independent evaluation conducted by a nationally recognized organization (such as the National Academy of Sciences or the National Academy of Education) of the pilot programs to assess the feasibility and validity of assessments and the fairness and accuracy of the data they produce. The report shall also describe the technical problems encountered and a description about what was learned about how to best report data from the National Assessment of Educational Progress. The results of this report will be provided to the Congress and to States which participated in assessments pursuant to clauses (i), (ii) and (iii) within 18 months of the time such assessments were conducted.

[(D)(i) The National Assessment shall have the authority to develop and conduct, upon the direction of the Board and subject to the availability of appropriations, assessments of adult literacy.

[(3)(A) The National Assessment shall not collect any data that are not directly related to the appraisal of educational performance, achievements, and traditional demographic reporting variables, or to the fair and accurate presentation of such information.

[(B) The National Assessment shall provide technical assistance to States, localities, and other parties that desire to participate in the assessment to yield additional information described in paragraph (2).

[(4)(A) Except as provided in subparagraph (B), the public shall have access to all data, questions, and test instruments of the National Assessment.

[(B)(i) The Commissioner shall ensure that all personally identifiable information about students, their educational performance, and their families and that information with respect to individual schools remain confidential, in accordance with section 552a of title 5, United States Code.

[(ii) Notwithstanding any other provision of the law, the Secretary may decline to make available to the public for a period not to exceed 10 years following their initial use cognitive questions that the Secretary intends to reuse in the future.

[(C) The use of National Assessment test items and test data employed in the pilot program authorized in subsection (2)(C) to rank, compare, or otherwise evaluate individual students, schools, or school districts is prohibited.

[(5)(A)(i) There is established the National Assessment Governing Board (hereafter in this section referred to as the "Board").

[(ii) The Board shall formulate the policy guidelines for the National Assessment.

[(B) The Board shall be appointed by the Secretary in accordance with this subparagraph and subparagraphs (C), (D), and (E). The Board shall be composed of—

[(i) two Governors, or former Governors, who shall not be members of the same political party;

[(ii) two State legislators, who shall not be members of the same political party;

[(iii) two chief State school officers;

[(iv) one superintendent of a local educational agency;

[(v) one member of a State board of education;

[(vi) one member of a local board of education;

[(vii) three classroom teachers representing the grade levels at which the National Assessment is conducted;

[(viii) one representative of business or industry;

[(ix) two curriculum specialists;

[(x) two testing and measurement experts;

[(xi) one nonpublic school administrator or policymaker;

[(xii) two school principals, one elementary and one secondary;

[(xiii) three additional members who are representatives of the general public, including parents.

The Assistant Secretary for Educational Research and Improvement shall serve as an ex officio member of the Board as a nonvoting member.

[(C)(i) The Secretary and the Board shall ensure at all times that the membership of the Board reflects regional, racial, gender and cultural balance and diversity and that it exercises its independent judgment, free from inappropriate influences and special interests.

[(ii) In the exercise of its functions, powers, and duties, the Board shall hire its own staff and shall be independent of the Secretary and the other offices and officers of the Department of Education.

[(iii) The Secretary may appoint, at the direction of the Board, for terms not to exceed 3 years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than 6 technical employees to administer this subsection who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

[(D)(i) The members of the Assessment Policy Committee, serving on the date of enactment of the National Assessment of Educational Progress Improvement Act, shall become members of the Board for the remainder of the terms of the appointment to the Assessment Policy Committee.

[(ii) To complete the initial membership of the Board, the Secretary shall appoint members of the Board as necessary in the categories described in subparagraph (B) for which there are no members continuing from the Assessment Policy Committee on the date of enactment of the National Assessment of Educational Progress Improvement Act. The Secretary shall appoint such members from among nominees furnished by the Governors, chief State school officers, education associations and organizations, the National Academy of Sciences, the National Academy of Education, parent organizations, and learned societies.

[(iii) As vacancies occur, new members of the Board shall be appointed by the Secretary from among individuals who are nominated by the Board after consultation with representatives of the groups listed in subparagraph (B). For each vacancy the Board shall nominate at least 3 individuals who, by reason of experience or training, are qualified in that particular Board vacancy.

[(E) Members of the Board appointed in accordance with this paragraph shall serve for terms not to exceed 4 years which shall be staggered, as determined by the Secretary, subject to the provisions of subparagraph (D)(i). Any appointed member of the Board who changes status under subparagraph (B) during the term of the appointment of the member may continue to serve as a member until the expiration of that term.

[(6)(A) In carrying out its functions under this subsection, the Board shall be responsible for—

[(i) selecting subject areas to be assessed (consistent with paragraph (2)(A));

[(ii) identifying appropriate achievement goals for each age and grade in each subject area to be tested under the National Assessment;

[(iii) developing assessment objectives;

[(iv) developing test specifications;

[(v) designing the methodology of the assessment;

[(vi) developing guidelines and standards for analysis plans and for reporting and disseminating results;

[(vii) developing standards and procedures for interstate, regional and national comparisons; and

[(viii) taking appropriate actions needed to improve the form and use of the National Assessment.

[(B) The Board may delegate any functions described in subparagraph (A) to its staff.

[(C) The Board shall have final authority on the appropriateness of cognitive items.

[(D) The Board shall take steps to ensure that all items selected for use in the National Assessment are free from racial, cultural, gender, or regional bias.

[(E) Each learning area assessment shall have goal statements devised through a national consensus approach, providing for active participation of teachers, curriculum specialists, local school administrators, parents and concerned members of the general public.

[(F) The Secretary shall report to the Board at regular intervals of the Department's action to implement the decisions of the Board.

[(G) Any activity of the Board or of the organization described in paragraph (1), shall be subject to the provisions of this subsection.

[(7)(A) Not to exceed 10 percent of the funds available for this subsection may be used for administrative expenses (including staff, consultants and contracts authorized by the Board) and to carry out the functions described in paragraph (6)(A).

[(B) For the purposes of its administrative functions, the Board shall have the authorities authorized by the Federal Advisory Committee Act and shall be subject to the open meeting provisions of that law.

[(8)(A) Participation in the National and Regional Assessments by State and local educational agencies shall be voluntary.

[(B) Participation in assessments made on a State basis shall be voluntary. The Secretary shall enter into an agreement with any State which desires to carry out an assessment for the State under this subsection. Each such agreement shall contain provisions designed to assure—

[(i) that the State will participate in the assessment;

[(ii) that the State will pay from non-Federal sources the non-Federal share of participation; and

[(iii) that the State agrees with the terms and conditions specified in subsection (a)(2)(C)(iv).

[(C)(i) For each fiscal year, the non-Federal share for the purpose of clause (ii) of subparagraph (B) shall be the cost of conducting the assessment in the State including the cost of administering the assessment at the school level for all schools in the State sample and the cost of coordination within the State.

[(ii) The non-Federal share of payments under this paragraph may be in cash or in kind.

[(9)(A) The Commissioner shall provide for continuing reviews of the National Assessment, including validation studies by the National Center for Education Statistics and solicitation of public comment on the conduct and usefulness of the National Assessment. The Secretary shall report to the Congress, the President, and the Nation on the findings and recommendations of such reviews. The Commissioner shall consider the findings and recommendations in designing the competition to select the organization through which the Office carries out the National Assessment.

[(B) The Commissioner shall, not later than 6 months after the date of enactment of the National Assessment of Educational Progress Improvement Act, publish a report setting forth plans for the collection of data for the 1990 assessment and plans for including other subject areas in the 1992 and later assessments. The report shall include methods by which the results of the National Assessment of Educational Progress may be reported so that the results are more readily available and more easily understood by educators, policymakers, and the general public, and methods by which items will be reviewed to identify and exclude items which reflect racial, cultural, gender, or regional bias. The report shall be developed after consultation with educators, State education officials, members of the Board appointed under paragraph (5), and the general public.

[(C) The report required by this paragraph shall be submitted to the Congress and made available to the public. The appropriate authorizing committees of the Congress may request the Secretary to modify the plan contained in the report. The Secretary shall take such actions as may be appropriate to carry out the recommendations contained in the report.

[(j) For purposes of this section, the terms "United States" and "State" include the District of Columbia and Puerto Rico.

[RESPONSIBILITY OF STATES TO FURNISH INFORMATION

[SEC. 406A. (a) The Commissioner shall require that each State submit to him, within ninety days after the end of any fiscal year, a report on the uses of Federal funds in that State under any applicable program for which the State is responsible for administration. Such report shall—

[(1) list all grants and contracts made under such program to the local educational agencies and other public and private agencies and institutions within such State during such year;

[(2) include the total amount of funds available to the State under each such program for such fiscal year and specify from which appropriation Act or Acts these funds were available; and

[(3) be made readily available by the State to local educational agencies and other public and private agencies and institutions within the State, and to the public.

[(b) On or before March 31 of each year, the Commissioner shall submit to the Committee on Labor and Human Resources of the Senate and to the Committee on Education and Labor of the House of Representatives an analysis of these reports and a compilation of statistical data derived therefrom.

[AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE EDUCATION PROGRAMS

[SEC. 406B. There is authorized to be appropriated to the Secretary of Education for fiscal year 1981—

[(1) $2,500,000 for the purpose of carrying out the Pre-College Science Teacher Training program, and

[(2) $5,000,000 for the purpose of carrying out the Minority Institutions Science Improvement program transferred to the Secretary from the National Science Foundation by section 304 of the Department of Education Organization Act.

[AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

[SEC. 406C. There are authorized to be appropriated $5,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Insitutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.

[RULES FOR EDUCATION OFFICERS OF THE UNITED STATES

[SEC. 407. (a) For the purposes of this section, the term "education officer of the United States" means any person appointed by the President pursuant to this part, except members of commissions, councils, and boards.

[(b) Each education officer of the United States shall serve at the pleasure of the President.

[(c) No education officer of the United States shall engage in any other business, vocation, or employment while serving in the position to which he is appointed; nor may he, except with the express approval of the President in writing, hold any office in, or act in any capacity for, or have any financial interest in, any organization, agency, or institution to which an agency in the Education Division makes a grant or with which any such agency makes a contract or any other financial arrangement.

[(d) No person shall hold, or act for, more than one position as an education officer of the United States for more than a 30 day period.

[GENERAL AUTHORITY OF ADMINISTRATIVE HEADS OF EDUCATION AGENCIES

[SEC. 408. (a) Each administrative head of an education agency, in order to carry out functions otherwise vested in him by law or by delegation of authority pursuant to law, is, subject to limitations as may be otherwise imposed by law, authorized—

[(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of operation of, and governing the applicable programs administered by the agency of which he is head;

[(2) in accordance with those provisions of title 5, United States Code, relating to the appointment and compensation of personnel and subject to such limitations as are imposed in this part, to appoint and compensate such personnel as may be necessary to enable such agency to carry out its functions;

[(3) to accept unconditional gifts or donations of services, money, or property (real, personal, or mixed; tangible or intangible);

[(4) without regard for section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary for the conduct of such agency;

[(5) with funds expressly appropriated for such purpose, to construct such facilities as may be necessary to carry out functions vested in him or in the agency of which he is head, and to acquire and dispose of property; and

[(6) to use the services of other Federal agencies and reimburse such agencies for such services.

[(b) The administrative head of an education agency shall ensure that, in contracting under the authority of this section for the services of independent persons in the competitive review of grant applications, all such persons are qualified, by education and experience, to perform such services. The qualifications of such persons and the terms of such contracts, other than information which identify such person, shall be readily made available to the public.

[(c) Any administrative head of an education agency is, subject to any other limitations on delegations of authority provided by law, authorized to delegate any of his functions under this section to an officer or employee of that agency.

[(d) For the purposes of this title, the term "administrative head of an education agency" means the Commissioner and the Director of the National Institute of Education. To the extent that the Assistant Secretary is directly responsible for the administration of a program and to the extent that the Assistant Secretary is responsible for the supervision of the National Center for Education Statistics, the Assistant Secretary shall, for such purposes, be considered within the meaning of such term.]

GENERAL AUTHORITY OF THE SECRETARY

SEC. 410. The Secretary, in order to carry out functions otherwise vested by law or by delegation of authority pursuant to law, and subject to limitations as may be otherwise imposed by law, is authorized to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of operation of, and governing the applicable programs administered by, the Department.

EDUCATION IMPACT STATEMENT

SEC. [409.] *411.* Notwithstanding any other provision of law, no regulation affecting any institution of higher education in the United States, promulgated on or after the date of enactment of this Act, shall become effective unless such agency causes to be published in the Federal Register a copy of such proposed regulation together with an educational impact assessment statement which shall determine whether any information required to be transmitted under such regulation is already being gathered by or is available from any other agency or authority of the United States. Notwithstanding the exception provided under section 553(b) of title 5, United States Code, such statement shall be based upon the record established under the provisions of section 553 of title 5, United States Code, compiled during the rulemaking proceeding regarding such regulation.

COORDINATION

SEC. 412. The Advisory Council on Education Statistics, the National Education Goals Panel, the National Education Statistics and Improvement Council, and any other Board established to analyze, address, or approve standards and assessments shall coordinate and interact with one another in order to ensure that each entity does not duplicate activities to assist States in their efforts to reform their educational systems.

PART B—APPROPRIATIONS AND EVALUATIONS

Subpart 1—Appropriations

[ADVANCE FUNDING

[SEC. 411. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, contracts, or other payments under any applicable program are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under such program will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.]

FORWARD FUNDING

SEC. 420. (a) To the end of affording the responsible State, local, and Federal officers adequate notice of available Federal financial assistance for carrying out ongoing education activities and projects, appropriations for grants, contracts, or other payments under any applicable program are authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year during which such activities and projects shall be carried out.

(b) In order to effect a transition to the timing of appropriation action authorized by subsection (a), the application of this section may result in the enactment, in a fiscal year, of separate appropriations for an applicable program (whether in the same appropriations Act or otherwise) for 2 consecutive fiscal years.

[AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS]

AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL-YEAR BASIS; ADDITIONAL PERIOD FOR EXPENDITURE OF FUNDS

SEC. [412.] *421.* (a) Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any applicable program may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

[(b) Notwithstanding] *(b)(1) Notwithstanding* any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs to which this title is applicable during any fiscal year which are not obligated and expended by educational agencies or institutions prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure by such agencies and institutions during such succeeding fiscal year.

* * * * * * *

(c) If any funds appropriated to carry out any applicable program are not obligated pursuant to a spending plan submitted in accordance with [section 3679(d)(2) of the Revised Statutes] *section 1341(a) of title 31 of the United States Code* and become available for obligation after the institution of a judicial proceeding seeking the release of such funds, then such funds shall be available for obligation and expenditure until the end of the fiscal year which begins after the termination of such judicial proceeding.

[AVAILABILITY OF APPROPRIATIONS

[SEC. 413. Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this title, funds appropriated for any fiscal year to carry out any of the programs to which this title is applicable shall remain available for obligation and expenditure until the end of such fiscal year.

[CONTINGENT EXTENSION OF PROGRAMS

[SEC. 414. (a) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

[(1) of the authorization of appropriations for an applicable program; or

[(2) of the duration of an applicable program;

either—

[(A) has passed or has formally rejected legislation which would have the effect of extending the authorization or duration (as the case may be) of that program; or

[(B) by action of either the House of Representatives or the Senate, approves a resolution stating that the provisions of this section shall no longer apply to such program;

such authorization or duration is hereby automatically extended for—

[(i) two additional fiscal years for any applicable program authorized to be included in the Appropriation Act for the fiscal year preceding the fiscal year for which appropriations are available for obligation, or

[(ii) one additional fiscal year for any other applicable program

The amount appropriated for each additional year shall not exceed the amount which the Congress could, under the terms of the law for which the appropriation is made, have appropriated for such program during such terminal year.

[(b)(1) For the purposes of clause (A) of subsection (a), the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

[(2) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations which are necessary for the continuation of an applicable program, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which that part of subsection (a) which follows clause (B) thereof is in operation.]

CONTINGENT EXTENSION OF PROGRAMS

SEC. 422. (a) The authorization of appropriations for, or duration of, an applicable program shall be automatically extended for one additional fiscal year unless Congress, in the regular session that ends prior to the beginning of the terminal fiscal year of such authorization or duration, has passed legislation that becomes law and extends or repeals the authorization or duration of such program.

(b) The amount authorized to be appropriated for the period of automatic extension of an applicable program under subsection (a) shall be the amount that was authorized to be appropriated for that program during its terminal fiscal year.

(c) During the period of automatic extension of an applicable program under subsection (a), the Secretary shall administer such program, including the performance of all required acts and determinations, in the same manner required in the termination fiscal year by the applicable statute.

(d) This section shall not apply to the authorization of appropriations for a commission, council or committee which is required by an applicable statute to terminate on a date certain.

PAYMENTS

SEC. [415.] *423.* Payments pursuant to grants or contracts under any applicable program may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the [Commissioner] *Secretary* may determine.

Subpart 2—Planning and Evaluation of Federal Education Activities

RESPONSIBILITY OF STATES TO FURNISH INFORMATION

SEC. 424. (a) Each State educational agency shall submit to the Secretary a report on or before March 15 of every second year. Each such report shall include—

(1) information with respect to the uses of Federal funds in such State in the 2 preceding fiscal years under any applicable program under the jurisdiction of the State educational agency; and

(2) information with respect to the uses of Federal funds in such State in the 2 preceding fiscal years under any Federal

program administered by the State that provided grants or contracts to a local educational agency in the State.

(b) Each report submitted as required by subsection (a) shall—

(1) list, with respect to each program for which information is provided, all grants made to and contracts entered into with local educational agencies and other public and private agencies and institutions within the State during each fiscal year concerned;

(2) analyze the information included in the report by local educational agency and by program;

(3) include the total amount of funds available to the State under each such program for each fiscal year concerned; and

(4) be made readily available by the State to local educational agencies and institutions within the State and to the public.

(c) If the Secretary does not receive a report by the date required under subsection (a), or receives an incomplete report, the Secretary, not later than 30 days after such report is required to be submitted, shall take all reasonable measures to obtain the delinquent or incomplete information from the State educational agency.

(d) When the Secretary receives a report required under subsection (a), the Secretary shall provide such information to the National Center for Education Statistics, and shall make such information available, at a reasonable cost, to any individual who requests it.

(e) The Secretary shall consult with the Speaker and Minority Leader of the House of Representatives and the Majority and Minority Leaders of the Senate regarding the costs and feasibility of making the information described in subsection (a) available as part of a telecommunications network that is readily accessible to every member of Congress and other interested parties.

(f) On or before August 15th of each year in which reports are submitted under subsection (a), the Secretary shall submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Such report shall include—

(1) an analysis of the content and data quality of such reports;

(2) a compilation of statistical data derived from such reports; and

(3) information obtained by the Secretary with respect to—

(A) direct grants made to local educational agencies by the Federal Government; and

(B) contracts entered into between such agencies and the Federal Government.

[PROGRAM PLANNING AND EVALUATION

[SEC. 416. Sums appropriated pursuant to section 400(d) may include for any fiscal year for which appropriations are otherwise authorized under any applicable program not to exceed $25,000,000 which shall be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, contracts, or other payments, for (1) planning for the succeeding year for any such program, and (2) evaluation of such programs.

[ANNUAL EVALUATION REPORTS

[SEC. 417. (a) Not later than December 31 of each year, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate an annual evaluation report which evaluates the effectiveness of applicable programs (including compliance with provisions of law requiring the maintenance of non-Federal expenditures for the purposes of such applicable programs) in achieving their legislated purposes together with recommendations relating to such programs for the improvement of such programs which will result in greater effectiveness in achieving such purposes. In the case of any evaluation report evaluating specific programs and projects, such report shall—

[(A) set forth goals and specific objectives in qualitative and quantitative terms for all programs and projects assisted under the applicable program concerned and relate those goals and objectives to the purposes of such program;

[(B) contain information on the progress being made during the previous fiscal year toward the achievement of such goals and objectives;

[(C) describe the cost and benefits of the applicable program being evaluated during the previous fiscal year and identify which sectors of the public receive the benefits of such program and bear the costs of such program;

[(D) contain plans for implementing corrective action and recommendations for new or amended legislation where warranted;

[(E) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations in the report; and

[(F) be prepared in concise summary form with necessary detailed data and appendices, including tabulations of available data to indicate the effectiveness of the programs and projects by the sex, race, and age of its beneficiaries.

[(b) Each evaluation report submitted pursuant to subsection (a) shall contain: (1) a brief description of each contract or grant for evaluation of any program (whether or not such contract or grant was made under section 416) any part of the performance of which occurred during the preceding year, (2) the name of the firm or individual who is to carry out the evaluation, and (3) the amount to be paid under the contract or grant.]

BIENNIAL EVALUATION REPORT

SEC. 425. Not later than March 31 of each second year beginning with 1995, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate an evaluation report on the effectiveness of applicable programs during the two preceding fiscal years in achieving their legislated purposes. Such report shall—

(1) contain program profiles that include legislative citations, multi-year funding histories, and legislated purposes;

(2) contain recent evaluation information on the progress being made toward the achievement of program objectives, including listings of program performance indicators, data from performance measurement based on the indicators, evaluation information on the costs and benefits of the applicable programs being evaluated.

(3) contain selected significant program activities, such as initiatives for program improvement, regulations, and program monitoring and evaluation;

(4) list the principal analyses and studies supporting the major conclusions in such report; and

(5) be prepared in concise summary form with necessary detailed data and appendices, including available data to indicate the effectiveness of the programs and projects by the race, sex, disability and age of their beneficiaries.

[EVALUATION BY THE COMPTROLLER GENERAL

[SEC. 419. (a) The Comptroller General of the United States shall review, audit, and evaluate any Federal education program upon request by a committee of the Congress having jurisdiction of the statute authorizing such program or, to the extent personnel are available, upon request by a member of such committee. Upon such request, he shall (1) conduct studies of statutes and regulations governing such program; (2) review the policies and practices of Federal agencies administering such program; (3) review the evaluation procedures adopted by such agencies carrying out such program; and (4) evaluate particular projects or programs. The Comptroller General shall compile such data as are necessary to carry out the preceding functions and shall report to the Congress at such times as he deems appropriate his findings with respect to such program and his recommendations for such modifications in existing laws, regulations, procedures and practices as will in his judgment best serve to carry out effectively and without duplication the policies set forth in education legislation relative to such program.

[(b) In carrying out his responsibilities as provided in subsection (a), the Comptroller General shall give particular attention to the practice of Federal agencies of contracting with private firms, organizations, and individuals for the provision of a wide range of studies and services (such as personnel recruitment and training, program evaluation, and program administration) with respect to Federal education programs, and shall report to the heads of the agencies concerned and to the Congress his findings with respect to the necessity for such contracts and their effectiveness in serving the objectives established in education legislation.

[(c) In addition to the sums authorized to be appropriated under section 400(d), there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.]

PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

SEC. [420.] *426.* No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except for funds appropriated pursuant to [title I of the Act of September 30, 1950 (Public Law 874, 81st Congress)] *title VIII of the Elementary and Secondary Education Act of 1965*, but not including any portion of such funds as are attributable to children counted under [subparagraph (C) of section 3(d)(2) or section 403(1)(C)] *sections 8003(c) or residing on property described in section 8012(4)(B)(ii)* of that Act.

EQUITY FOR STUDENTS, TEACHERS, AND OTHER PROGRAM BENEFICIARIES

SEC. 427. (a) The purpose of this section is to assist the Department in implementing its mission to ensure equal access to education and to promote educational excellence throughout the Nation, by ensuring equal opportunities to participate for all eligible students, teachers, and other program beneficiaries in any project or activity carried out under an applicable program and promoting their ability to meet high standards.

(b) The Secretary shall require each applicant for assistance under an applicable program (other than an individual) to develop and describe in its application the steps it proposes to take to ensure equitable access to, and equitable participation in, the project or activity to be conducted with such assistance, by addressing the special needs of students, teachers, and other program beneficiaries in order to overcome barriers to equitable participation, including barriers based on gender, race, color, national origin, disability, and age.

(c) The Secretary may establish criteria and provide technical assistance for meeting the requirements of this section.

(d) Nothing in this section is intended to alter in any way the rights or responsibilities established under the statutes cited in section 400(d) of this Act.

PART C—GENERAL REQUIREMENTS AND CONDITIONS CONCERNING THE OPERATION AND ADMINISTRATION OF EDUCATION PROGRAMS; GENERAL AUTHORITY OF THE [COMMISSIONER OF EDUCATION] *SECRETARY*

[APPLICABILITY

[SEC. 421. The provisions of this part (except as otherwise provided) shall apply to any program for which the Commissioner has administrative responsibility, as specified by law or by delegation of authority pursuant to law.]

SUBPART 1—GENERAL AUTHORITY

[ADMINISTRATION OF EDUCATION PROGRAMS

[SEC. 421A. (a) The Commissioner is authorized to delegate any of his functions under any applicable program, except the making of regulations and the approval of State plans, to any officer or employee of the Office of Education.

[(b) In administering any applicable program, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

[(c)(1)(A) Except in the case of a law which—

[(i) authorizes appropriations for carrying out, or controls the administration of, an applicable program, or

[(ii) is enacted in express limitation of the provisions of this paragraph,

no provision of any law shall be construed to authorize the consolidation of any applicable program with any other program. Where the provisions of law governing the administration of an applicable program permit the packaging or consolidation of applications for grants or contracts to attain simplicity or effectiveness of administration, nothing in this subparagraph shall be deemed to interfere with such packaging or consolidation.

[(B) No provision of any law which authorizes an appropriation for carrying out, or controls the administration of, an applicable program shall be construed to authorize the consolidation of any such program with any other program unless provision for such a consolidation is expressly made thereby.

[(C) For the purposes of this subsection, the term "consolidation" means any agreement, arrangement, or the other procedure which results in—

[(i) the commingling of funds derived from one appropriation with those derived from another appropriation,

[(ii) the transfer of funds derived from an appropriation to the use of an activity not authorized by the law authorizing such appropriation,

[(iii) the use of practices or procedures which have the effect of requiring, or providing for, the approval of an application for funds derived from different appropriations according to any criteria other than those for which provision is made (either expressly or implicitly) in the law which authorizes the appropriation of such funds, or this title, or

[(iv) as a matter of policy the making of a grant or contract involving the use of funds derived from one appropriation dependent upon the receipt of a grant or contract involving the use of funds derived from another appropriation.

[(2)(A) No requirement or condition imposed by a law authorizing appropriations for carrying out any applicable program, or controlling the administration thereof, shall be waived or modified, unless such a waiver or modification is expressly authorized by such law or by a provision of this title or by a law expressly limiting the applicability of this paragraph.

[(B) There shall be no limitation on the use of funds appropriated to carry out any applicable program other than limitations imposed by the law authorizing the appropriation or a law controlling the administration of such program; nor shall any funds appropriated to carry out an applicable program be allotted, apportioned, allocated, or otherwise distributed in any manner or by any method different from that specified in the law authorizing the appropriation.

[(3) No person holding office in the executive branch of the Government shall exercise any authority which would authorize or effect any activity prohibited by paragraph (1) or (2).

[(4) The transfer of any responsibility, authority, power, duty, or obligation subject to this title, from the Commissioner to any other officer in the executive branch of the Government, shall not affect the applicability of this title with respect to any applicable program.]

JOINT FUNDING OF PROGRAMS

Sec. 430. (a)(1) The Secretary is authorized to enter into arrangements with other Federal agencies to jointly carry out projects of common interest, to transfer to such agencies funds appropriated under any applicable program, and to receive and use funds from such agencies, for projects of common interest.

(2) Funds so transferred or received shall be used only in accordance with the statutes authorizing the appropriation of such funds, and shall be made available by contract or grant only to recipients eligible to receive such funds under such statutes.

(3) If the Secretary enters into an agreement under this subsection for the administration of a project, the agency administering the project shall use its procedures to award contracts or grants and to administer such awards, unless the parties to the agreement specify the use of procedures of another agency that is a party to the agreement.

(4) If the Secretary has entered into an agreement authorized under subsection (a) of this section and the Secretary and the heads of the other agencies participating in the agreement determine that joint funding is necessary to address a special need consistent with the purposes and authorized activities of each program that provides funding, the Secretary and the heads of the other participating agencies may develop a single set of criteria for jointly funded projects and require each applicant for those projects to submit a single application for review by the participating agencies.

(b) The Secretary may develop the criteria for, and require the submission of, joint applications under two or more applicable programs under which awards are made on a competitive basis, and may jointly review and approve such applications separately from other applications under such programs, when the Secretary determines that such joint awards are necessary to address a special need consistent with the purposes and authorized activities of each such program. An applicant for such a joint award must meet the eligibility requirements of each such program.

(c) The Secretary may not construe the provisions of this section to take precedence over a limitation on joint funding contained in an applicable statute.

(d)(1) The Secretary shall provide notice to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate of each joint funding agreement made with other Federal agencies not later than 60 days following the making of such agreements.

(2) Such notice shall include—

(A) a description of the purpose and objectives of the joint funding arrangement;

(B) the amounts and sources, by program, of the funds dedicated to such arrangement; and

(C) the criteria developed to govern the award of contracts and grants.

COLLECTION AND DISSEMINATION OF INFORMATION

SEC. [422. (a) The Commissioner] *431. The Secretary* shall—

(1) prepare and disseminate to State and local educational agencies and institutions information concerning applicable programs and cooperate with other Federal officials who administer programs affecting education in disseminating information concerning such programs;

(2) inform the public on federally supported education programs; *and*

(3) collect data and information on applicable programs for the purpose of obtaining objective measurements of the effectiveness of such programs in achieving their purposes[; and].

[(4) prepare and publish an annual report (to be referred to as "the Commissioner's annual report") on (A) the condition of education in the Nation, (B) developments in the administration, utilization, and impact of applicable programs, (C) results of investigations and activities by the Office of Education, and (D) such facts and recommendations as will serve the purpose for which the Office of Education is established (as set forth in section 403 of this Act).

[(b) The Commissioner's annual report shall be submitted to the Congress not later than June 30 of each calendar year. The Commissioner's annual report shall be made available to State and local educational agencies and other appropriate agencies and institutions and to the general public.

[(c) The Commissioner is authorized to enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

[CATALOG OF FEDERAL EDUCATION ASSISTANCE PROGRAMS

[SEC. 423. The Commissioner shall prepare and make available in such form as he deems appropriate a catalog of all Federal education assistance programs whether or not such programs are administered by him. The catalog shall—

[(1) identify each such program, and include the name of the program, the authorizing statute, the specific Federal administering officials, and a brief description of such program;

[(2) set forth the availability of benefits and eligibility restrictions in each such program;

[(3) set forth the budget requests for each such program, past appropriations, obligations incurred, and pertinent financial information indicating (A) the size of each such program for selected fiscal years, and (B) any funds remaining available;

[(4) set forth the prerequisites, including the cost to the recipient of receiving assistance under each such program, and any duties required of the recipient after receiving benefits;

[(5) identify appropriate officials, in Washington, District of Columbia, as well as in each State and locality (if applicable), to whom application or reference for information for each such program may be made;

[(6) set forth the application procedures;

[(7) contain a detailed index designed to assist the potential beneficiary in identifying all education assistance programs related to a particular need or category of potential beneficiaries;

[(8) contain such other program information and data as the Commissioner deems necessary or desirable in order to assist the potential program beneficiary to understand and take advantage of each Federal education assistance program; and

[(9) be transmitted to Congress with the Commissioner's annual report.

[COMPILATION OF ASSISTED INNOVATIVE PROJECTS

[SEC. 424. The Assistant Secretary shall publish annually a compilation of all innovative projects assisted under programs administered in the Education Division, including title III and part C of title IV of the Elementary and Secondary Education Act of 1965, in any year funds are used to carry out such programs. Such compilation shall be indexed according to subject, descriptive terms, and locations.]

REVIEW OF APPLICATIONS

SEC. [425.] *432.* (a) In the case of any applicable program under which financial assistance is provided to (or through) a State educational agency to be expended in accordance with a State plan approved by the [Commissioner] *Secretary*, [and in the case of the program provided for in title I of the Elementary and Secondary Education Act of 1965,] any applicant or recipient aggrieved by the final action of the State educational agency, and alleging a violation of State or Federal law, rules, regulations, or guidelines governing the applicable program, in (1) disapproving or failing to approve its application or program in whole or part, (2) failing to provide funds in amounts in accord with the requirements of laws and regulations, (3) ordering, in accordance with a final State audit resolution determination, the repayment of misspent or misapplied Federal funds, or (4) terminating further assistance for an approved program, may within thirty days request a hearing. Within thirty days after it receives such a request, the State educational agency shall hold a hearing on the record and shall review such final action. No later than ten days after the hearing, the State educational agency shall issue its written ruling, including reasons therefor. If it determines such final action was contrary to Federal or State law, or the rules, regulations, and guidelines[,] governing such applicable program, it shall rescind such final action.

(b) Any applicant or recipient aggrieved by the failure of a State educational agency to rescind its final action after a review under such subsection (a) may appeal such action to the [Commissioner] *Secretary*. An appeal under this subsection may be taken only if notice of such appeal is filed with the [Commissioner] *Secretary* within twenty days after the applicant or recipient has been notified by the State educational agency of the results of its review under subsection (a). If, on such appeal, the [Commissioner] *Secretary* determines the final action of the State educational agency was contrary to Federal law, or the rules, regulations, and guidelines governing the applicable program, he shall issue an order to the State educational agency prescribing appropriate action to be taken by such agency. On such appeal, findings of fact of the State educational agency, if supported by substantial evidence, shall be final. The [Commissioner] *Secretary* may also issue such interim orders to State educational agencies as he may deem necessary and appropriate pending appeal or review.

* * * * * * *

(d) If any State educational agency fails or refuses to comply with any provision of this section, or with any order of the [Commissioner] *Secretary* under subsection (b), the [Commissioner] *Secretary* shall forthwith terminate all assistance to the State educational agency under the applicable program affected *or issue such other orders as the Secretary may deem appropriate to achieve such compliance.*

TECHNICAL ASSISTANCE

SEC. [426.] *433.* (a) For the purpose of carrying out more effectively Federal education programs, the Commissioner is authorized, upon request, to provide advice, counsel, and technical assistance to State educational agencies, institutions of higher education, and, with the approval of the appropriate State educational agency, elementary and secondary schools—

(1) * * *

* * * * * * *

[EQUALIZATION ASSISTANCE

[SEC. 426A. (a) The Commissioner is authorized from the sums appropriated pursuant to subsection (d) to make grants to States to assist in developing and implementing plans to revise their systems of financing elementary and secondary education in order to achieve a greater equalization of resources among school districts. Any State desiring to receive such a grant shall (1) submit an application approved by the State legislature for such funds, (2) provide that State funds will match the Federal funds on a dollar for dollar basis, and (3) show how these efforts build upon the knowledge gained through the plans developed pursuant to section 842 of the Education Amendments of 1974.

[(b) The Commissioner is authorized, from sums appropriated pursuant to subsection (d), (1) to develop and disseminate models and materials useful to the States in planning and implementing revisions of their school financing systems, and (2) to establish temporary national and regional training centers to assist those involved in school finance in providing the level of expertise needed by the States in revising their financing systems.

[(c) The Commissioner shall (1) designate a unit within the Office of Education to serve as a national dissemination center for information on the States' efforts to achieve a greater equalization of resources for elementary and secondary education, and (2) develop an analysis of what has been learned through the use of funds available under section 842 of the Education Amendments of 1974 and disseminate the results of this analysis.

[(d) There are hereby authorized to be appropriated $4,000,000 for each of the fiscal years ending prior to September 30, 1983, for the purposes of this section.]

PARENTAL INVOLVEMENT AND DISSEMINATION

SEC. [427.] *434.* In the case of any applicable program in which [the Commissioner] *the Secretary* determines that parental participation at the State or local level would increase the effectiveness of the program in achieving its purposes, [he] *the Secretary* shall promulgate regulations with respect to such program setting forth criteria designed to encourage such participation. If the program for which such determination *is made* provides for payments to local educational agencies, applications for such payments shall—

(1) set forth such policies and procedures as will ensure that programs and projects assisted under the application have been planned and developed, and will be operated, in consultation with, and with the involvement of parents of, the children to be served by such programs and projects;

(2) be submitted with assurance that such parents have had an opportunity to present their views with respect to the application; and

(3) set forth policies and procedures for adequate dissemination of program plans and evaluations to such parents and the public.

[USE OF FUNDS WITHHELD FOR FAILURE TO COMPLY WITH OTHER PROVISIONS OF FEDERAL LAW

[SEC. 428. At any time that the Commissioner establishes an entitlement, or makes an allotment, or reallotment to any State, under any applicable program, he shall reduce such entitlement, allotment, or reallotment by such amount as he determines it would have been reduced, had the data on which the entitlement, allotment, or reallotment is based excluded all data relating to local educational agencies of the State which on the date of the Commissioner's action are ineligible to receive the Federal financial assistance involved because of a failure to comply with title VI of the Civil Rights Act of 1964. Any appropriated funds which will not be paid to a State as a result of the preceding sentence may be used by the Commissioner for grants to local educational agencies of that State in accordance with section 405 of the Civil Rights Act of 1964.]

USE OF FUNDS WITHHELD

SEC. 435. (a) At any time that the Secretary makes an allotment or reallotment to any State under any applicable program, the Secretary shall reduce such allotment or reallotment by such amount as the Secretary determines such allotment or reallotment would have been reduced, had the data on which the allotment or reallotment is based excluded all data relating to local educational agencies of the State that, on the date of the Secretary's action, are ineligible to receive the Federal financial assistance involved because of *failure to comply with title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, or the Age Discrimination Act of 1975.*

(b) The Secretary may use any funds withheld under subsection (a)—

(1) to increase the allotments of other local educational agencies within the State, or the allotments of all States, in accordance with the statutes governing the program; or

(2) for grants to local educational agencies of that State in accordance with section 405 of the Civil Rights Act of 1964, or for any other program administered by the Department that is designed to enhance equity in education or redress discrimination on the basis of race, color, national origin, sex, age, or disability.

[AUTHORIZATION TO FURNISH INFORMATION

[SEC. 429. The Commissioner is authorized to transfer transcripts or copies of other records of the Office of Education to State and local officials, public and private organizations, and individuals.]

SUBPART 2—ADMINISTRATION: REQUIREMENTS AND LIMITATIONS

APPLICATIONS

SEC. [430.] *436.* (a) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, the [Commissioner] *Secretary* is authorized to provide for the submission of applications for assistance effective [for three fiscal years] *for more than one fiscal year* under any applicable program with whatever amendments to such applications being required as the [Commissioner] *Secretary* determines essential.

(b) The [Commissioner] *Secretary* shall, insofar as is practicable, establish uniform dates during the year for the submission of applications under all applicable programs and for the approval of such applications.

(c) The [Commissioner] *Secretary* shall, insofar as is practicable, develop and require the use of—

(1) a common application for grants to local educational agencies in applicable programs administered by State educational agencies in which the funds are distributed to such local agencies pursuant to some objective formula, and such application shall be used as the single application for as many of these programs as is practicable;

(2) a common application for grants to local educational agencies in applicable programs administered by State educational agencies in which the funds are distributed to such local agencies on a competitive or discretionary basis, and such application shall be used as the single application for as many of such programs as is practicable; and

(3) a common application for grants to local educational agencies in applicable programs which are directly administered by the [Commissioner] *Secretary*, and such application shall be used as the single application for as many of these programs as is practicable.

REGULATIONS[: REQUIREMENTS AND ENFORCEMENT]

SEC. [431.] *437*. (a)(1) For the purpose of this section, the term "regulation" means any rules, regulations, guidelines, interpretations, orders, or requirements of general applicability prescribed by the [Commissioner] *Secretary*.

(2) Regulations issued by the [Department of Health, Education, and Welfare or the Office of Education, or by any official of such agencies] *Secretary*, in connection with, or affecting, the administration of any applicable program shall contain immediately following each substantive provision of such regulations, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

(b)(1) No proposed regulation prescribed for the administration of any applicable program may take effect until thirty days after it is published in the Federal Register.

(2)(A) During the thirty-day period prior to the date upon which such regulation is to be effective, the [Commissioner] *Secretary* shall, in accordance with the provisions of section 553, of title 5, United States Code, offer any interested party an opportunity to make comment upon, and take exception to, such standard, rule, regulation, or general requirement and shall reconsider any such standard, rule, regulation, or general requirement upon which comment is made or to which exception is taken.

(B) If the [Commissioner] *Secretary* determines that the thirty-day requirement in paragraph (1) will cause undue delay in the implementation of a regulation, thereby causing extreme hardship for the intended beneficiaries of an applicable program, he shall notify the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate. [If neither committee disagrees with the determination of the Commissioner within 10 days after such notice, the Commissioner may waive such requirement with respect to such regulation.]

(c) All such regulations shall be uniformly applied and enforced throughout the fifty States.

(d)[(1)] Concurrently with the publication in the Federal Register of any final regulation (except expected family contribution schedules and any amendments thereto promulgated pursuant to sections 428(a)(2) (D) and (E) and 482(a) (1) and (2) of the Higher Education Act of 1965) of general applicability as required in subsection (b) of this section, such final regulation shall be transmitted to the Speaker of the House of Representatives and the President of the Senate. Such final regulation shall become effective not less than forty-five days after such [transmission unless the Congress shall, by concurrent resolution, find that the final regulation is inconsistent with the Act from which it derives its authority, and disapprove such final regulation, in whole or in part] *transmission*. [Failure of the Congress to adopt such a concurrent resolution with respect to any such final regulation prescribed under any such Act, shall not represent, with respect to such final regulation, an approval or finding of consistency with the Act from which it derives its authority for any purpose, nor shall such failure to adopt a concurrent resolution be construed as evidence of an approval or finding of consistency necessary to establish a prima facie case, or an inference or presumption, in any judicial proceeding.]

[(2) The forty-five day period specified in paragraph (1) shall be deemed to run without interruption except during periods when either House is in adjournment sine die, in adjournment subject to the call of the Chair, or in adjournment to a day certain for a period of more than four consecutive days. In any such period of adjournment, the forty-five days shall continue to run, but if such period of adjournment is thirty calendar days, or less, the forty-five day period shall not be deemed to have elapsed earlier than ten days after the end of such adjournment. In any period of adjournment which lasts more than thirty days, the forty-five day period shall be deemed to have elapsed after thirty calendar days has elapsed, unless, during those thirty calendar days, either the Committee on Education and Labor of the House of Representatives, or the Committee on Labor and Human Resources of the Senate, or both, shall have directed its chairman, in accordance with said committee's rules, and the rules of that House, to transmit to the appropriate department or agency head a formal statement of objection to the final regulation. Such letter shall suspend the effective date of the final regulation until not less than twenty days after the end of such adjournment, during which the Congress may enact the concurrent resolution provided for in this subsection. In no event shall the final regulation go into effect until the forty-five day period shall have elapsed, as provided for in this subsection, for both Houses of the Congress.

[(e) Whenever a concurrent resolution of disapproval is enacted by the Congress under the provisions of this section, the agency which issued such regulation may thereafter issue a modified regulation to govern the same or substantially identical circumstances, but shall, in publishing such modification in the Federal Register and submitting it to the Speaker of the House of Representatives and the President of the Senate, indicate how the modification differs from the final regulation earlier disapproved, and how the agency believes the modification disposes of the findings by the Congress in the concurrent resolution of disapproval.

[(f) For the purposes of subsections (d) and (e) of this section, activities under sections 404, 405, and 406 of this title, and under title IX of the Education Amendments of 1972 shall be deemed to be applicable programs.]

(g) Not later than sixty days after the enactment of any part of any Act affecting the administration of any applicable program, the [Commissioner] *Secretary* shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a schedule in accordance with which the [Commissioner] *Secretary* has planned to promulgate final regulations implementing such Act or part of such Act. Such schedule shall provide that all such final regulations shall be promulgated within one hundred and eighty days after the submission of such schedule. Except as is provided in the following sentence, all such final regulations shall be promulgated in accordance with such schedule. If the [Commissioner] *Secretary* finds that, due to circumstances unforeseen at the time of the submission of any such schedule, he cannot comply with a schedule submitted pursuant to this subsection, he shall notify such committees of such findings and submit a new schedule. If both such committees notify the [Commissioner] *Secretary* of their approval of such new schedule, such final regulations shall be promulgated in accordance with such new schedule.

PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. [432.] *438.* No provision of any applicable program shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system, or to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

LABOR STANDARDS

SEC. [433.] *439.* Except for emergency relief under section 7 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), all laborers and mechanics employed by contractors or subcontractors on all construction and minor remodeling projects assisted under any applicable program shall be paid wages at rates not less than those prevailing on similar construction and minor remodeling in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

SUBPART 3—ADMINISTRATION OF EDUCATION PROGRAMS AND PROJECTS BY STATES AND LOCAL EDUCATIONAL AGENCIES

STATE [EDUCATIONAL] AGENCY MONITORING AND ENFORCEMENT

SEC. [434.] *440.* (a) In the case of any applicable program in which Federal funds are made available to local agencies in a State through or under the supervision of a State board or agency, the [Commissioner] *Secretary* may require the State to submit a plan for monitoring compliance by local agencies with Federal requirements under such program and for enforcement by the State of such requirements. The [Commissioner] *Secretary* may require such plan to provide—

(1) for periodic visits by State personnel of programs administered by local agencies to determine whether such programs are being conducted in accordance with such requirements;

(2) for periodic audits of expenditures under such programs by auditors of the State or other auditors not under the control, direction, or supervision of the local educational agency; and

(3) that the State investigate and resolve all complaints received by the State, or referred to the State by the [Commis-

sioner**]** *Secretary* relating to the administration of such programs.

(b) In order to enforce the Federal requirements under any applicable program the State may—

(1) withhold approval, in whole or in part, of the application of a local agency for funds under the program until the State is satisfied that such requirements will be met; except that the State shall not finally disapprove such an application unless the State provides the local agency an opportunity for a hearing before an impartial hearing officer and such officer determines that there has been a substantial failure by the local agency to comply with any of such requirements;

(2) suspend payments to any local agency, in whole or in part, under the program if the State has reason to believe that the local agency has failed substantially to comply with any of such requirements, except that (A) the State shall not suspend such payments until fifteen days after the State provides the local agency an opportunity to show cause why such action should not be taken and (B) no such suspension shall continue in effect longer than sixty days unless the State within such period provides the notice for a hearing required under paragraph (3) of this subsection;

(3) withhold payments, in whole or in part, under any such program if the State finds, after reasonable notice and opportunity for a hearing before an impartial hearing officer, that the local agency has failed substantially to comply with any of such requirements.

(c) Any withholding of payments under **[**paragraph (3)**]** *subsection (b)(3)* of this subsection shall continue until the State is satisfied that there is no longer a failure to comply substantially with any of such requirements.

SINGLE STATE APPLICATION

SEC. **[**435.**]** *441.* (a) In the case of any State which applies, contracts, or submits a plan**[**,**]** for participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of, the State educational agency of that State, such State shall submit **[**(subject, in the case of programs under chapter 1 and chapter 2 of title I of the Elementary and Secondary Education Act of 1965, to the provisions of title V of such Act)**]** to the **[**Commissioner**]** *Secretary* a general application containing the assurances set forth in subsection (b). Such application may be submitted jointly for all programs covered by the application, or it may be submitted separately for each such program or for groups of programs. Each application submitted under this section must be approved by each official, agency, board, or other entity within the State which, under State law, is primarily responsible for supervision of the activities conducted under each program covered by the application.

(b) An application submitted under subsection (a) shall set forth assurances, satisfactory to the **[**Commissioner**]** *Secretary*—

(1) * * *

* * * * * * *

(4) that the State will evaluate the effectiveness of covered programs in meeting their statutory objectives, at such intervals (not less often than once every three years) and in accordance with such procedures as the [Commissioner] *Secretary* may prescribe by regulation, and that the State will cooperate in carrying out any evaluation of each program conducted by or for the Secretary or other Federal official;

* * * * * * *

(6) that the State will make reports to the [Commissioner] *Secretary* (including reports on the results of evaluations required under paragraph (4)) as may reasonably be necessary to enable the [Commissioner] *Secretary* to perform his duties under each program, and that the State will maintain such records, in accordance with the requirements of section 437 of this Act, and afford access to the records as the [Commissioner] *Secretary* may find necessary to carry out his duties;

(7) that the State will provide reasonable opportunities for the participation by local agencies, representatives of the class of individuals affected by each program and other interested institutions, organizations, and individuals in the planning for and operation of each program, including the following:

(A) * * *

(B) the State will publish each proposed plan, in a manner that will ensure circulation throughout the State, at least sixty days prior to the date on which the plan is submitted to the [Commissioner] *Secretary* or on which the plan becomes effective, whichever occurs earlier, with an opportunity for public comments on such plan to be accepted for at least thirty days;

(C) the State will hold public hearings on the proposed plans if required by the [Commissioner] *Secretary* by regulation; and

* * * * * * *

(c) Each general application submitted under this section shall remain in effect for the duration of any program it covers. The [Commissioner] *Secretary* shall not require the resubmission or amendment of that application unless required by changes in Federal or State law or by other significant changes in the circumstances affecting an assurance in that application.

SINGLE LOCAL EDUCATIONAL AGENCY APPLICATION

SEC. [436.] *442.* (a) Each local educational agency which participates in an applicable program under which Federal funds are made available to such agency through a State agency or board shall submit to such agency or board a general application containing the assurances set forth in subsection (b). That application shall cover the participation by [that local education agency] *that local educational agency* in all such programs.

(b) The general application submitted by a local educational agency under subsection (a) shall set forth assurances—

(1) that the local educational agency will administer each program covered by the application in accordance with all applicable statutes, regulations, program plans, and applications;

(2) that the control of funds provided to the local educational agency under each program, and title to property acquired with those funds, will be in a public agency and that a public agency will administer those funds and property;

* * * * * * *

(4) that the local educational agency will make reports to the State agency or board and to the [Commissioner] *Secretary* as may reasonably be necessary to enable the State agency or board and the [Commissioner] *Secretary* to perform their duties and that the local educational agency will maintain such records, including the records required under section 437, and provide access to those records, as the State agency or board or the [Commissioner] *Secretary* deem necessary to perform their duties;

* * * * * * *

(7) that in the case of any project involving construction—

(A) the project is not inconsistent with overall State plans for the construction of school facilities, and

(B) in developing plans for construction, due consideration will be given to excellence of architecture and design and to compliance with standards prescribed by the Secretary under section 504 of the Rehabilitation Act of 1973 in order to ensure that facilities constructed with the use of Federal funds are accessible to and usable by [handicapped individuals] *individuals with disabilities*;

* * * * * * *

SUBPART 4—RECORDS; PRIVACY; LIMITATION ON WITHHOLDING FEDERAL FUNDS

RECORDS

SEC. [437.] *443.* (a) Each recipient of Federal funds under any applicable program through any [grant, subgrant, contract, subcontract, loan, or other arrangement (other than procurement contracts awarded by an administrative head of an educational agency)] *grant, subgrant, cooperative agreement, loan or other agreement* shall keep records which fully disclose the amount and disposition by the recipient of those funds, the total cost of the activity for which the funds are used, the share of that cost provided from other sources, and such other records as will facilitate an effective *financial or programmatic* audit. The recipient shall maintain such records for [five] *three* years after the completion of the activity for which the funds are used.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access, for the purpose of audit examination, [to any records of a recipient which may be related, or pertinent to, the grants, subgrants, contracts, subcontracts, loans, or other arrangements] *to any records currently maintained by a recipient that may be related, or pertinent to, grants, subgrants, cooperative agreements, loans, or other arrangements* to which reference is made in subsection (a), or which may relate to the compliance of the recipient with any requirement of an applicable program.

PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

SEC. **[**438.**]** *444*. (a)(1)(A) No funds shall be made available under any applicable program to any educational agency or institution which has a policy of denying, or which effectively prevents, the parents of students who are or have been in attendance at a school of such agency or at such institution, as the case may be, the right to inspect and review the educational records of their children. If any material or document in the education record of a student includes information on more than one student, the parents of one of such students shall have the right to inspect and review only such part of such material or document as relates to such student or to be informed of the specific information contained in such part of such material. Each educational agency or institution shall establish appropriate procedures for the granting of a request by parents for access to the education records of their children within a reasonable period of time, but in no case more than forty-five days after the request has been made.

(B) * * *

* * * * * * *

(4)(A) * * *

(B) The term "education records" does not include—

(i) * * *

(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement**[**.**]***;*

* * * * * * *

(b)(1) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of permitting the release of education records (or personally identifiable information contained therein other than directory information, as defined in paragraph (5) of subsection (a)) of students without the written consent of their parents to any individual, agency, or organization, other than to the following—

(A) * * *

* * * * * * *

(C) authorized representatives of (i) the Comptroller General of the United States, (ii) the Secretary, **[**(iii) an administrative head of an education agency (as defined in section 408(c)), or (iv)**]** *or (iii)* State educational authorities, under the conditions set forth in paragraph (3) of this subsection;

* * * * * * *

[(E) State and local officials or authorities to whom such information is specifically required to be reported or disclosed pursuant to State statute adopted prior to November 19, 1974;**]**

(E) State and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to State statute adopted—

(i) before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and its ability to effectively serve the student whose records are released, or

(ii) after November 19, 1974, if—

(I) the allowed reporting or disclosure concerns the juvenile justice system and its ability to effectively serve the student whose records are released, and

(II) the officials and authorities to whom such information is disclosed certify in writing to the educational agency or institution that the information will not be disclosed to any other party except as provided under State law without the prior written consent of the parent.

* * * * * * *

(H) parents of a dependent student of such parents, as defined in section 152 of the Internal Revenue Code of [1954] *1986*; and

* * * * * * *

(3) Nothing contained in this section shall preclude authorized representatives of (A) the Comptroller General of the United States, (B) the Secretary, [(C) an administrative head of an education agency or (D)] *or (C)* State educational authorities from having access to student or other records which may be necessary in connection with the audit and evaluation of Federally-supported [education program] *education programs*, or in connection with the enforcement of the Federal legal requirements which relate to such programs: *Provided*, That except when collection of personally identifiable information is specifically authorized by Federal law, any data collected by such officials shall be protected in a manner which will not permit the personal identification of students and their parents by other than those officials, and such personally identifiable data shall be destroyed when no longer needed for such audit, evaluation, and enforcement of Federal legal requirements.

* * * * * * *

(d) For the purposes of this section, whenever a student has attained eighteen years of age, or is attending an institution of postsecondary education, the permission or consent required of and the rights accorded to the parents of the student shall thereafter only be required of and accorded to the student.

* * * * * * *

(f) [The Secretary, or an administrative head of an education agency,] *The Secretary* shall take appropriate actions to enforce [provisions of] this section and to deal with violations of this section, [according to the provisions of] *in accordance with* this Act, except that action to terminate assistance may be taken only if the Secretary finds there has been a failure to comply with [the provisions of] this section, and he has determined that compliance cannot be secured by voluntary means.

(g) The Secretary shall establish or designate an office and review board within the Department of [Health, Education, and Welfare] *Education* for the purpose of investigating, processing, reviewing, and adjudicating violations of [the provisions of] this section and complaints which may be filed concerning alleged violations of this section. Except for the conduct of hearings, none of the functions of the Secretary under this section shall be carried out in any of the regional offices of such Department.

[PROTECTION OF PUPIL RIGHTS

[SEC. 439. (a) All instructional material, including teacher's manuals, films, tapes, or other supplementary instructional material which will be used in connection with any research or experimentation program or project shall be available for inspection by the parents or guardians of the children engaged in such program or project. For the purpose of this section "research or experimentation program or project" means any program or project in any applicable program designed to explore or develop new or unproven teaching methods or techniques.

[(b) No student shall be required, as part of any applicable program, to submit to psychiatric examination, testing, or treatment, or psychological examination, testing, or treatment, in which the primary purpose is to reveal information concerning:

[(1) political affiliations;

[(2) mental and psychological problems potentially embarrassing to the student or his family;

[(3) sex behavior and attitudes;

[(4) illegal, anti-social, self-incriminating and demeaning behavior;

[(5) critical appraisals of other individuals with whom respondents have close family relationships;

[(6) legally recognized privileged and analogous relationships, such as those of lawyers, physicians, and ministers; or

[(7) income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program), without the prior consent of the student (if the student is an adult or emancipated minor), or in the case of unemancipated minor, without the prior written consent of the parent.]

PROTECTION OF PUPIL RIGHTS

SEC. 445. (a) All instructional materials, including teacher's manuals, films, tapes, or other supplementary material which will be used in connection with any survey, analysis, or evaluation as part of any applicable program shall be available for inspection by the parents or guardians of the children.

(b) No student shall be required, as part of any applicable program, to submit to a survey, analysis, or evaluation that reveals information concerning—

(1) political affiliations;

(2) mental and psychological problems potentially embarrassing to the student or his family;

(3) sex behavior and attitudes;

(4) illegal, antisocial, self-incriminating, and demeaning behavior;

(5) critical appraisals of other individuals with whom respondents have close family relationships;

(6) legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers; or

(7) income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program),

without the prior consent of the student (if the student is an adult or emancipated minor), or in the case of an unemancipated minor, without the prior written consent of the parent.

(c) Educational agencies and institutions shall give parents and students effective notice of their rights under this section.

(d) The Secretary shall take such action as the Secretary determines appropriate to enforce this section, except that action to terminate assistance provided under an applicable program shall be taken only if the Secretary determines that—

(1) there has been a failure to comply with such section; and

(2) compliance with such section cannot be secured by voluntary means.

(e) The Secretary shall establish or designate an office and review board within the Department of Education to investigate, process, review, and adjudicate violations of the rights established under this section.

* * * * * * *

LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

SEC. **[**440.**]** *446.* (a) Except as provided in section 438(b)(1)(D) of this Act, the refusal of a State or local educational agency or institution of higher education, community college, school, agency offering a preschool program, or other educational institution to provide personally identifiable data on students or their families, as a part of any applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students or their parents, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Such a refusal shall also not constitute sufficient grounds for a denial of, a refusal to consider, or a delay in the consideration of, funding for such a recipient in succeeding fiscal years. In the case of any dispute arising under this section, reasonable notice and opportunity for a hearing shall be afforded the applicant.

* * * * * * *

[PART D—ADVISORY COUNCILS

[DEFINITIONS

[SEC. 441. As used in this part, the term—

[(1) "advisory council" means any committee, board, commission, council, or other similar group (A) established or organized pursuant to any applicable statute, or (B) established under the authority of section 442; but such term does not include State advisory councils or commissions established pursuant to any such statute;

[(2) "statutory advisory council" means an advisory council established by, or pursuant to, statute to advise and make recommendations with respect to the administration or improvement of an applicable program or other related matter;

[(3) "nonstatutory advisory council" means an advisory council which is (A) established under the authority of section 442, or (B) established to advise and make recommendations with respect to the approval of applications for grants or contracts as required by statute;

[(4) "Presidential advisory council" means a statutory advisory council, the members of which are appointed by the President;

[(5) "Secretarial advisory council" means a statutory advisory council, the members of which are appointed by the Secretary;

[(6) "Commissioner's advisory council" means a statutory advisory council, the members of which are appointed by the Commissioner;

[(7) "applicable statute" means any statute (or title, part, or section thereof) which authorizes an applicable program or controls the administration of any such program.

[AUTHORIZATION FOR NECESSARY ADVISORY COUNCILS

[SEC. 442. (a) The Commissioner is authorized to create, and appoint the members of, such advisory councils as he determines in writing to be necessary to advise him with respect to—

[(1) the organization of the Office of Education and its conduct in the administration of applicable programs;

[(2) recommendations for legislation regarding education programs and the means by which the educational needs of the Nation may be met; and

[(3) special problems and areas of special interest in education.

[(b) Each advisory council created under the authority of subsection (a) shall terminate not later than one year from the date of its creation unless the Commissioner determines in writing not more than thirty days prior to the expiration of such one year that its existence for an additional period, not to exceed one year, is necessary in order to complete the recommendations or reports for which it was created.

[(c) The Commissioner shall include in his report submitted pursuant to section 448 a statement on all advisory councils created or extended under the authority of this section and their activities.

[MEMBERSHIP AND REPORTS OF STATUTORY ADVISORY COUNCILS

[SEC. 443. (a) Notwithstanding any other provision of law unless expressly in limitation of the provisions of this section, each statutory advisory council—

[(1) shall be composed of the number of members provided by statute who may be appointed, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and shall serve for terms of not to exceed three years, which in the case of initial members, shall be staggered; and

[(2) shall make an annual report of its activities, findings and recommendations to the Congress not later than March 31 of each calendar year, which shall be submitted with the Commissioner's annual report.

The Commissioner shall not serve as a member of any such advisory council.

[(b) Members of Presidential advisory councils shall continue to serve, regardless of any other provision of law limiting their terms, until the President appoints other members to fill their positions.

[COMPENSATION OF MEMBERS OF ADVISORY COUNCILS

[SEC. 444. Members of all advisory councils to which this part is applicable who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the advisory council or otherwise engaged in the business of the advisory council, be entitled to receive compensation at a rate fixed by the Commissioner, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the advisory council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

[PROFESSIONAL, TECHNICAL, AND CLERICAL STAFF; TECHNICAL ASSISTANCE

[SEC. 445. (a) Presidential advisory councils are authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or otherwise obtain the services of, such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions, as prescribed by law.

[(b) The Assistant Secretary shall engage such personnel and technical assistance as may be required to permit Secretarial and Assistant Secretary's advisory councils to carry out their function as prescribed by law.

[(c) Subject to regulations of the Assistant Secretary, Presidential advisory councils are authorized to procure temporary and intermittent services of such personnel as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title.

[(d) No employee of an advisory council, appointed and compensated pursuant to this section, shall be compensated at a rate in excess of that which such employee would receive if such employee were appointed subject to the appropriate provisions of title 5, United States Code, regarding appointments to, and compensation with respect to, the competitive service, except that—

[(1) executive directors of Presidential advisory councils shall be compensated at the rate specified for employees placed in grade GS–18 of the General Schedule set forth in section 5332 of such title 5;

[(2) executive directors of all other statutory advisory councils shall be compensated at the rate provided for employees in grade 15 of such General Schedule; and

[(3) in accordance with regulations promulgated by the Assistant Secretary, other employees of advisory councils shall be compensated at such rates as may be necessary to enable such advisory councils to accomplish their purposes.

[MEETINGS OF ADVISORY COUNCILS

[SEC. 446. (a) Each statutory advisory council shall meet at the call of the chairman thereof but not less than two times each year. Nonstatutory advisory councils shall meet in accordance with regulations promulgated by the Commissioner.

[(b) Minutes of each meeting of each advisory council shall be kept and shall contain a record of the persons present, a description of matters discussed and conclusions reached, and copies of all reports received, issued, or approved by the advisory council. The accuracy of all minutes shall be certified to by the chairman of the advisory council.

[AUDITING AND REVIEW OF ADVISORY COUNCIL ACTIVITIES

[SEC. 447. (a) Each statutory advisory council shall be subject to such general regulations as the Commissioner may promulgate respecting the governance of statutory advisory councils and shall keep such records of its activities as will fully disclose the disposition of any funds which may be at its disposal and the nature and extent of its activities in carrying out its functions.

[(b) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of each advisory council which is subject to the operation of this part.

[REPORT BY THE COMMISSIONER OF EDUCATION

[SEC. 448. (a) Not later than June 30 of each calendar year after 1970, the Commissioner shall submit, as a part of the Commissioner's annual report, a report on the activities of the advisory councils which are subject to this part to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives. Such report shall contain, at least, a list of all such advisory councils, the names and affiliations of their members, a description of the function of each advisory council, and a statement of the dates of the meetings of each such advisory council.

[(b) If the Commissioner determines that a statutory advisory council is not needed or that the functions of two or more statutory advisory councils should be combined, he shall include in the report a recommendation that such advisory council be abolished or that such functions be combined. Unless there is an objection to such action by either the Senate or the House of Representatives within ninety days after the submission of such report, the Commissioner is authorized to abolish such advisory council or combine the functions of two or more advisory councils as recommended in such report.

[RELATION TO OTHER LAWS

[SEC. 449. (a) No provision of any law establishing, authorizing the establishment of, or controlling the operation of, an advisory council which is not consistent with the provisions of this part shall apply to any advisory council to which this part applies.

[(b) The provisions of subsections (e) and (f) of section 10 of the Federal Advisory Committee Act shall not apply to Presidential advisory councils (as defined in section 441).]

PART [E] *D*—ENFORCEMENT

SEC. 451. OFFICE OF ADMINISTRATIVE LAW JUDGES.

(a) The Secretary shall establish in the Department of Education an Office of Administrative Law Judges (hereinafter in this part referred to as the "Office") which shall conduct—

(1) recovery of funds hearings pursuant to section 452 of this Act,

(2) withholding hearings pursuant to section 455 of this Act,

(3) cease and desist hearings pursuant to section 456 of this Act, and

(4) other proceedings designated by the Secretary.

* * * * * * *

SEC. 452. RECOVERY OF FUNDS.

(a)(1) * * *

(2) In a preliminary departmental decision, the Secretary shall have the burden of [stating a prima facie case for the recovery of funds.] *establishing a prima facie case for the recovery of funds, including an analysis reflecting the value of the program services actually obtained in a determination of harm to the federal interest.* The facts to serve as the basis of the preliminary departmental decision may come from an audit report, an investigative report, a monitoring report, or other evidence. The amount of funds to be recovered shall be determined on the basis of section 453.

* * * * * * *

(b)(1) A recipient that has received written notice of a preliminary departmental decision and that desires to have such decision reviewed by the Office shall submit to the Office an application for review not later than [30] *60* days after receipt of notice of the preliminary departmental decision. The application shall be in the form and contain the information specified by the Office. As expeditiously as possible, the Office shall return to the Secretary for such action as the Secretary considers appropriate any preliminary departmental decision which the Office determines does not meet the requirements of subsection (a)(2).

* * * * * * *

(d)*(1)* Upon review of a decision of the Office by the Secretary, the findings of fact by the Office, if supported by substantial evidence, shall be conclusive. However, the Secretary, for good cause shown, may remand the case to the Office to take further evidence, and the Office may thereupon make new or modified findings of fact and may modify its previous action. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(2) During the conduct of such review, there shall not be any ex parte contact between the Secretary and individuals representing the Department or the recipient.

* * * * * * *

SEC. 459. USE OF RECOVERED FUNDS.

(a) Whenever the Secretary recovers funds paid to a recipient under a grant or cooperative agreement made under an applicable program because the recipient made an expenditure of funds that was not allowable, or otherwise failed to discharge its responsibility to account properly for funds, the Secretary may consider those funds to be additional funds available for that program and may arrange to repay to the recipient affected by that action an amount not to exceed 75 percent of the recovered funds if the Secretary determines that—

(1) the practices or procedures of the recipient that resulted in the violation of law have been corrected[, and that the recipient is in all other respects in compliance with the requirements of that program];

* * * * * * *

[(c) Notwithstanding any other provisions of law, the funds made available under this section shall remain available for expenditure for a period of time deemed reasonable by the Secretary, but in no case to exceed more than 3 fiscal years following the fiscal year in which final agency action under section 452(e) is taken.]

(c) Notwithstanding any other provisions of law, the funds made available under this section shall remain available for expenditure for a period of time deemed reasonable by the Secretary, but in no case to exceed more than 3 fiscal years following the later of—

(1) the fiscal year in which final agency action under section 452(e) is taken; or

(2) if such recipient files a petition for judicial review, the fiscal year in which final judical action under section 458 is taken.

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DEPARTMENT OF EDUCATION ORGANIZATION ACT

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SECTION 1. This Act may be cited as the "Department of Education Organization Act".

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TITLE II—ESTABLISHMENT OF THE DEPARTMENT

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PRINCIPAL OFFICERS

SEC. 202. (a) * * *
(b)(1) * * *

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(3) There shall be in the Department, a Special Assistant for Gender Equity who shall be appointed by the Secretary. The Special Assistant shall promote, coordinate, and evaluate gender equity programs, including the dissemination of information, technical assistance, coordination of research activities, and the administration of grant programs. The Special Assistant shall report directly to the Secretary, and shall perform such additional functions as the Secretary shall prescribe.

* * * * * * *

OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

SEC. **[**209.**]** *208.* There shall be in the Department an Office of Educational Research and Improvement, to be administered by the Assistant Secretary for Educational Research and Improvement appointed under section 202(b). The Assistant Secretary shall administer such functions concerning research, development, demonstration, dissemination, evaluation, and assessment activities as the Secretary shall delegate.

OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS

SEC. **[**210.**]** *209.* There shall be in the Department an Office of Bilingual Education and Minority Languages Affairs, to be administered by a Director of Bilingual Education and Minority Languages Affairs, who shall be appointed by the Secretary. The Director shall coordinate the administration of bilingual education programs by the Department and shall consult with the Secretary concerning policy decisions affecting bilingual education and minority languages affairs. The Director shall report directly to the Secretary, and shall perform such additional functions as the Secretary may prescribe.

OFFICE OF GENERAL COUNSEL

SEC. **[**211.**]** *210.* There shall be in the Department an Office of General Counsel, to be administered by the General Counsel appointed under section 202(b). The General Counsel shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

OFFICE OF INSPECTOR GENERAL

Sec. **[212.]** *211.* There shall be in the Department an Office of Inspector General, established in accordance with the Inspector General Act of 1978 (as amended by section 508(n) of this Act).

OFFICE OF CORRECTIONAL EDUCATION

Sec. **[214.]** *212.* (a) Findings.—The Congress finds and declares that—

(1) education is important to, and makes a significant contribution to, the readjustment of incarcerated individuals to society; and

* * * * * * *

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

Sec. **[215.]** *213.* (a) There is established a Federal Interagency Committee on Education (hereafter referred to in this section as the "Committee"). The Committee shall assist the Secretary in providing a mechanism to assure that the procedures and actions of the Department and other Federal departments and agencies are fully coordinated.

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TITLE III—TRANSFERS OF AGENCIES AND FUNCTIONS

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TRANSFERS FROM THE DEPARTMENT OF LABOR

Sec. **[303.]** *302.* (a) Notwithstanding the provisions of section 601 of this Act, there shall be transferred to the Secretary, at such time on or after the effective date of this Act as the Secretary certifies that there has been established in the Department a single component responsible for the administration and the coordination of programs relating to the education of migrants, all functions of the Secretary of Labor or the Department of Labor under section 303(c)(2) of the Comprehensive Employment and Training Act.

* * * * * * *

TRANSFERS OF PROGRAMS FROM THE NATIONAL SCIENCE FOUNDATION

Sec. **[304.]** *303.* (a)(1) There are transferred to the Secretary all programs relating to science education of the National Science Foundation or the Director of the National Science Foundation established prior to the effective date of this Act pursuant to the National Science Foundation Act of 1950, except the programs or parts of programs, as determined after review by the Director of the Office of Science and Technology Policy and the Director of the National Science Foundation, which relate to—

(A) * * *

* * * * * * *

TRANSFERS FROM THE DEPARTMENT OF JUSTICE

SEC. [305.] *304.* There are transferred to the Secretary all functions of the Attorney General and of the Law Enforcement Assistance Administration with regard to the student loan and grant programs known as the law enforcement education program and the law enforcement intern program authorized by subsections (b), (c), and (f) of section 406 of the Omnibus Crime Control and Safe Streets Act of 1968.

TRANSFERS FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. [306.] *305.* There are transferred to the Secretary all functions relating to college housing loans of the Secretary of Housing and Urban Development and of the Department of Housing and Urban Development under title IV of the Housing Act of 1950.

EFFECT OF TRANSFERS

SEC. [307.] *306.* The transfer of a function or office from an officer or agency to the Secretary or to the Department includes any aspects of such function or office vested in a subordinate of such officer or in a component of such agency.

TITLE IV—ADMINISTRATIVE PROVISIONS

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PART B—GENERAL ADMINISTRATIVE PROVISIONS

* * * * * * *

[RULES

[SEC. 414. (a) The Secretary is authorized to prescribe such rules and regulations as the Secretary determines necessary or appropriate to administer and manage the functions of the Secretary or the Department.

[(b) The Secretary, in promulgating rules and regulations as authorized by statute, shall prescribe such rules and regulations in accordance with chapter 5 of title 5, United States Code. Section 431 of the General Education Provisions Act also shall apply to such rules and regulations to the extent applicable immediately prior to the effective date of this Act, and to rules and regulations promulgated with respect to programs transferred under sections 301(a) (1), (2), and (4), 303, 304, 305, and 306.]

CONTRACTS

SEC. [415.] *414.* (a) Subject to the provisions of the Federal Property and Administrative Services Act of 1949, the Secretary is authorized to make, enter into, and perform such contracts, grants, leases, cooperative agreements, or other similar transactions with Federal or other public agencies (including State and local governments) and private organizations and persons, and to make such payments, by way of advance or reimbursement, as the Secretary may determine necessary or appropriate to carry out functions of the Secretary or the Department.

* * * * * * *

REGIONAL AND FIELD OFFICES

SEC. [416.] *415.* The Secretary is authorized to establish, alter, discontinue, or maintain such regional or other field offices as the Secretary may find necessary or appropriate to perform functions of the Secretary or the Department.

ACQUISITION AND MAINTENANCE OF PROPERTY

SEC. [417.] *416.* (a) The Secretary is authorized—

(1) to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain—

(A) schools and related facilities (but only to the extent that operation of schools and related facilities by the Department is authorized by this Act);

* * * * * * *

FACILITIES AT REMOTE LOCATIONS

SEC. [418.] *417.* (a) The Secretary is authorized to provide, construct, or maintain for employees and their dependents stationed at remote locations as necessary and when not otherwise available at such remote locations—

(1) emergency medical services and supplies;

* * * * * * *

USE OF FACILITIES

SEC. [419.] *418.* (a) With their consent, the Secretary may, with or without reimbursement, use the research, equipment, services, and facilities of any agency or instrumentality of the United States, of any State or political subdivision thereof, or of any foreign government, in carrying out any function of the Secretary or the Department.

* * * * * * *

COPYRIGHTS AND PATENTS

SEC. [420.] *419.* The Secretary is authorized to acquire any of the following described rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.

GIFTS AND BEQUESTS

SEC. [421.] *420.* The Secretary is authorized to accept, hold, administer, and utilize gifts, bequests and devises of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts, bequests, and devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon the order of the Secretary.

TECHNICAL ADVICE

SEC. **[**422.**]** *421.* (a) The Secretary is authorized, upon request, to provide advice, counsel, and technical assistance to applicants or potential applicants for grants and contracts and other interested persons with respect to any functions of the Secretary or the Department.

* * * * * * *

WORKING CAPITAL FUND

SEC. **[**423.**]** *422.* (a) The Secretary, with the approval of the Director of the Office of Management and Budget, is authorized to establish for the Department a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as the Secretary shall find to be desirable in the interests of economy and efficiency, including such services as—

(1) a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its components;

* * * * * * *

FUNDS TRANSFER

SEC. **[**424.**]** *423.* The Secretary may, when authorized in an appropriation Act in any fiscal year, transfer funds from one appropriation to another within the Department, except that no appropriation for any fiscal year shall be either increased or decreased pursuant to this section by more than 5 percent and no such transfer shall result in increasing any such appropriation above the amount authorized to be appropriated therefor.

SEAL OF DEPARTMENT

SEC. **[**425.**]** *424.* The Secretary shall cause a seal of office to be made for the Department of such design as the Secretary shall approve. Judicial notice shall be taken of such seal.

ANNUAL REPORT

SEC. **[**426.**]** *425.* (a) The Secretary shall, as soon as practicable after the close of each fiscal year, make a single, comprehensive report to the President for transmission to the Congress on the activities of the Department during such fiscal year. The report shall include a statement of goals, priorities, and plans for the Department together with an assessment of the progress made toward—

(1) the attainment of such goals, priorities, and plans;

* * * * * * *

[RELATIONSHIP TO GENERAL EDUCATION PROVISIONS ACT

[SEC. 427. Except where inconsistent with the provisions of this Act, the General Education Provisions Act shall apply to functions transferred by this Act to the extent applicable on the day preceding the effective date of this Act.]

AUTHORIZATION OF APPROPRIATIONS

SEC. [428.] *426*. Subject to any limitation on appropriations applicable with respect to any function or office transferred to the Secretary or the Department, there are authorized to be appropriated for fiscal year 1980 and each succeeding fiscal year such sums as may be necessary to carry out the provisions of this Act and to enable the Secretary to administer and manage the Department. Funds appropriated in accordance with this section shall remain available until expended.

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INDIVIDUALS WITH DISABILITIES EDUCATION ACT

* * * * * * *

PART B—ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES

SETTLEMENTS AND ALLOCATIONS

SEC. 611. (a)[(1) Except as provided in paragraph (5) and in section 619, the maximum amount of the grant to which a State is entitled under this part for any fiscal year shall be equal to—

[(A) the number of children with disabilities aged 3–5, inclusive, in a State who are receiving special education and related services as determined under paragraph (3) if the State is eligible for a grant under section 619 and the number of children with disabilities aged 6–21, inclusive, in a State who are receiving special education and related services as so determined;

multiplied by—

[(B)(i) 5 per centum, for the fiscal year ending September 30, 1978, of the average per pupil expenditure in public elementary and secondary schools in the United States;

[(ii) 10 per centum, for the fiscal year ending September 30, 1979, of the average per pupil expenditure in public elementary and secondary schools in the United States;

[(iii) 20 per centum, for the fiscal year ending September 30, 1980, of the average per pupil expenditure in public elementary and secondary schools in the United States;

[(iv) 30 per centum, for the fiscal year ending September 30, 1981, of the average per pupil expenditure in public elementary and secondary schools in the United States; and

[(v) 40 per centum, for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, of the average per pupil expenditure in public elementary and secondary schools in the United States;

except that no State shall receive an amount which is less than the amount which such State received under this part for the fiscal year ending September 30, 1977.

[(2) For the purpose of this subsection and subsection (b) through subsection (e), the term "State" does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.] *(1) Except as provided in paragraph (5), the maximum amount of the grant for which a State is eligible under this section for any fiscal year is—*

(A) the sum of—

(i) the number of children with disabilities in the State, aged six through 21, who are receiving special education and related services, as determined under paragraph (3); and

(ii) the number of such children in the State, aged three through five, if the State is eligible for a grant under section 619; multiplied by

(B) 40 percent of the average per-pupil expenditure in public elementary and secondary schools in the United States.

(2) For the purpose of this section, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

* * * * * * *

(5)(A) In determining the allotment of each State under paragraph (1), the Secretary may not count—

(i) children with disabilities aged three to seventeen, inclusive, in such State under paragraph (1)(A) to the extent the number of such children is greater than 12 percent of the number of all children aged three to seventeen, inclusive, in such State [and the State] *or the combined percentage of such children counted by the Secretary for the purpose of making fiscal year 199— allocations under this section and under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as in effect the day before the date of the enactment of the Improving America's Schools Act of 1994, whichever is greater, if the State* serves all children with disabilities aged three to five, inclusive, in the State pursuant to State law or practice or the order of any court, *and*

(ii) children with disabilities aged five to seventeen, inclusive, in such State under paragraph (1)(A) to the extent the number of such children is greater than 12 percent of the number of all children aged five to seventeen, inclusive, in such State [and the State] *or the combined percentage of such children counted by the Secretary for the purpose of making fiscal year 1994 allocations under this section and under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as in effect the day before the date of the enactment of the Improving America's Schools Act of 1994, whichever is greater, if the State* does not serve all children with disabilities aged three to five, inclusive, in the State pursuant to State law or practice or the order of any court[; and].

[(iii) children with disabilities who are counted under subpart 2 of part D of chapter 1 of title 1 of the Elementary and Secondary Education Act of 1965.]

(B) For purposes of subparagraph (A), the number of children aged three to seventeen, inclusive, in any State shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

[(b)(1) Of the funds received under subsection (a) by any State for the fiscal year ending September 30, 1978—

[(A) 50 per centum of such funds may be used by such State in accordance with the provisions of paragraph (2); and

[(B) 50 per centum of such funds shall be distributed by such State pursuant to subsection (d) to local educational agencies and intermediate educational units in such State, for use in accordance with the priorities established under section 612(3).

[(2) Of the funds which any State may use under paragraph (1)(A)—

[(A) an amount which is equal to the greater of—

[(i) 5 per centum of the total amount of funds received under this part by such State; or

[(ii) $200,000;

may be used by such State for administrative costs related to carrying out sections 612 and 613;

[(B) the remainder shall be used by such State to provide support services and direct services, in accordance with the priorities established under section 612(3).]

(b)(1) Notwithstanding subsections (a) and (g) of this section, no State shall receive an amount under this section for any of the fiscal years 1995 through 1999 that is less than the combined amount it received for fiscal year 1994 under—

(A) this section; and

(B) subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 as in effect the day before the date of the enactment of the Improving America's Schools Act of 1994, for children with disabilities aged three through 21.

(2) If, for fiscal year 1998 or 1999, the number of children determined under subsection (a)(3) for any State is less than the total number of children with disabilities, aged three through 21, counted for such State's fiscal year 1994 grants under this section and under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as in effect the day before the date of the enactment of the Improving America's Schools Act of 1994, the amount determined under paragraph (1) for such State shall be reduced by the same percentage by which the number of such children so declined.

(3) In any fiscal year in which the amount appropriated for grants under this section is less, in real dollar terms, than the amount appropriated in the immediate preceding fiscal year, the amount for each State under this subsection will be reduced proportionately.

(c)[(1) Of the funds received under subsection (a) by any State for the fiscal year ending September 30, 1979, and for each fiscal year thereafter—

[(A) 25 per centum of such funds may be used by such State in accordance with the provisions of paragraph (2); and

[(B) except as provided in paragraph (4), 75 per centum of such funds shall be distributed by such State pursuant to subsection (d) to local educational agencies and intermediate educational units in such State, for use in accordance with priorities established under section 612(3).] *(1) Of the funds received under subsection (a) by any State for any fiscal year—*

(A) the State may use up to 25 percent in accordance with paragraph (2); and

(B) except as provided in paragraph (4), the State shall distribute at least 75 percent to local educational agencies and intermediate educational units, in accordance with subsection (d), for use in accordance with priorities established under section 612(3).

(2)[(A) Subject to the provisions of subparagraph (B), of the funds which any State may use under paragraph (1)(A)—

[(i) an amount which is equal to the greater of—

[(I) 5 per centum of the total amount of funds received under this part by such State; or

[(II) $450,000;

may be used by such State for administrative costs related to carrying out the provisions of sections 612 and 613; and

[(ii) the part remaining after use in accordance with clause (i) shall be used by the State (I) to provide support services and direct services in accordance with the priorities established under section 612(3), and (II) for the administrative costs of monitoring and complaint investigation but only to the extent that such costs exceed the costs of administration incurred during fiscal year 1985.]

(A) From the funds that any State may use under paragraph (1)(A) for any fiscal year, the State—

(i) may use 5 percent of the funds received under this section or $450,000, whichever is greater, for administrative costs related to carrying out sections 612 and 613; and

(ii) shall use the remainder—

(I) to provide support services and direct services, subject to subparagraph (B), in accordance with priorities established under section 612(3); and

(II) for the administrative costs of monitoring and complaint investigation, but only to the extent that such costs exceed the costs of administration incurred during fiscal year 1985.

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[(d) From the total amount of funds available to local educational agencies and intermediate educational units in any State under subsection (b)(1)(B) or subsection (c)(1)(B), as the case may be, each local educational agency or intermediate educational unit shall be entitled to an amount which bears the same ratio to the total amount available under subsection (b)(1)(B) or subsection (c)(1)(B), as the case may be, as the number of children with disabilities aged three to twenty-one, inclusive, receiving special education and related services in such local educational agency or intermediate educational unit bears to the aggregate number of children with disabilities aged three to twenty-one, inclusive, receiving special education and related services in all local educational agencies and intermediate educational units which apply to the State educational agency involved for funds under this part.]

(d)(1) From the total amount of funds available for any fiscal year under subsection (c)(1)(B), the State shall provide to each local educational agency or intermediate educational unit an amount that bears the same ratio to such total amount as the number of children, aged 3 through 21, determined under subsection (a)(3) for such agency or unit bears to the total number of such children determined for all such agencies and units that apply for such funds.

(2)(A) To the extent necessary, the State—

(i) shall use funds available under subsection (c)(2)(A)(ii) to ensure that each State-owned or State-operated school or program or State-supported school or program that received fiscal year 1994 funds under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 receives, from the combination of such funds and funds provided under paragraph (1), an amount equal to—

(I) the number of children, aged 6 through 21, determined under subsection (a)(3) for such agency; multiplied by

(II) the per-child amount provided under such subpart for fiscal year 1994; and

(ii) may use such funds to ensure that each local educational agency that received fiscal year 1994 funds under such subpart for children who had transferred from a State-owned, State-operated, or State-supported school or program assisted under such subpart receives, from the combination of such funds and funds provided under paragraph (1), an amount for each such child, aged 3 through 21, determined under subsection (a)(3) for such agency, equal to the per-child amount the agency received under such subpart for fiscal year 1994.

(B) For the purpose of subparagraph (A), the number of children determined under subsection (a)(3) for any State agency or local educational agency shall not exceed the number of children aged 3 through 21 for whom such agency received funds under such subpart for such fiscal year.

(3) In any fiscal year in which the amount appropriated for grants under this section is less, in real dollar terms, than the amount appropriated in the preceding fiscal year, the amount for each State under this subsection will be reduced proportionately.

(e)[(1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.] *(1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau).*

* * * * * * *

[(g)(1) If the sums appropriated under subsection (h) for any fiscal year for making payments to States under subsection (a) are not sufficient to pay in full the total amounts which all States are entitled to receive under subsection (a) for such fiscal year, the maximum amounts which all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

[(2) In the case of any fiscal year in which the maximum amounts for which States are eligible have been reduced under the first sentence of paragraph (1), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the last sentence of such paragraph, the State educational agency shall fix dates before which each local educational agency or intermediate educational unit shall report to the State educational agency on the amount of funds available to the local educational agency or intermediate educational unit, under the provisions of subsection (d), which it estimates that it will expend in accordance with the provisions of this section. The amounts so available to any local educational agency or intermediate educational unit, or any amount which would be available to any other local educational agency or intermediate educational unit if it were to submit a program meeting the requirements of this part, which the State educational agency determines will not be used for the period of its availability, shall be available for allocation to those local educational agencies or intermediate educational units, in the manner provided by this section, which the State educational agency determines will need and be able to use additional funds to carry out approved programs.]

(g)(1)(A) If the sums appropriated under subsection (h) for any fiscal year are not sufficient to pay in full the total of the amounts that all States are eligible to receive under subsection (a), each such amount shall be ratably reduced.

(B) If additional funds become available for making such payments for any fiscal year, such reduced amounts shall be increased on the same basis as they were reduced.

(C) Any State that receives any such additional funds shall distribute them in accordance with this section, except that any State that has used funds available under subsection (c)(2)(A)(ii) for the purposes described in subsection (d)(2) may—

(i) deduct, from the amount that it would otherwise be required to make available to local educational agencies and intermediate educational units, the same amount of such additional funds as it so used; and

(ii) use such funds in accordance with subsection (c)(2)(A)(ii).

(2)(A) In any fiscal year for which payments have been reduced and additional funds have not been made available under paragraph (1) to pay in full the amounts for which all States are eligible under this section, each State educational agency shall fix dates by which each local educational agency or intermediate educational unit shall report to the State agency the amount of funds available to it under this section that it estimates it will expend.

(B) The State educational agency shall, in accordance with this section, reallocate any funds that it determines will not be used during the period of availability by such local educational agencies and intermediate educational units, and by any such agency or unit to which such funds would be available if it applied for them under this part, to such local educational agencies and intermediate educational units that the State educational agency determines will need, and be able to use, additional funds to carry out approved programs.

* * * * * * *

TREATMENT OF CHAPTER 1 STATE AGENCIES

SEC. 614A. (a) For the purpose of making payments under sections 611 and 619 of this Act, any State agency that received funds for fiscal year 1994 under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 shall be treated as if it were a local educational agency.

(b) The State educational agency shall ensure that each State agency that owns or operates or supports a program or school for children with disabilities with funds under this part—

(1) provides each child with a disability in such school or program a free appropriate public education in accordance with this part, including the due process protections of section 615, as if it were a local educational agency; and

(2) has on file with the State educational agency an application that meets the requirements of section 614 that the Secretary finds appropriate.

(c) Section 611(c)(4) shall not apply with respect to a State agency that is eligible for a payment under this part by virtue of this section.

PART H—INFANTS AND TODDLERS WITH DISABILITIES

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ALLOCATION OF FUNDS

SEC. 684. (a) * * *

* * * * * * *

(c)[(1) For each of the fiscal years 1987 through 1994 from the funds remaining after the reservation and payments under subsections (a) and (b), the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the number of infants and toddlers in the State bears to the number of infants and toddlers in all States, except that no State shall receive less than 0.5 percent of such remainder, or $500,000, whichever is greater.] *(1) Except as provided in paragraphs (3) and (4), from the funds remaining for each fiscal year after the reservation and payments under subsections (a) and (b), the Secretary shall first allot to each State an amount that bears the same ratio to the amount of such remainder as the number of infants and toddlers in the State bears to the number of infants and toddlers in all States.*

(2) For fiscal year 1995 only, the Secretary shall allot $34,000,000 of the remaining funds described in paragraph (1) among the States in proportion to the relative numbers of infants and toddlers who—

(A) are counted on December 1, 1994; and

(B) would have been eligible to be counted under section 1221(c)(1) of the Elementary and Secondary Education Act of 1965 as in effect before the enactment of the Improving America's Schools Act of 1994.

(3) Except as provided in paragraph (4), no State shall receive an amount under this section for any fiscal year that is less than the greater of—

(A) one-half of one percent of the remaining amount described in paragraph (1), not including any amounts allotted under paragraph (2); or

(B) $500,000.

(4)(A) No State shall receive an amount under this section for any of the fiscal years 1995 through 1999 that is less than the combined amount it received for fiscal year 1994 under—

(i) this part; and

(ii) subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 for children with disabilities from birth through age two.

(B) If, for fiscal year 1998 or 1999, the number of infants and toddlers in any State, as determined under paragraph (1), is less than the number of infants and toddlers so determined for fiscal year 1994, the amount determined under subparagraph (A) for that State shall be reduced by the same percentage by which the number of those infants and toddlers so declined.

[(2)**]** *(5)* For the purpose of paragraph (1)—

(A) the terms "infants" and "toddlers" mean children from birth to age 2, inclusive, and

(B) the term "State" does not include the jurisdictions described in subsection (a).

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STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

TITLE I—GENERAL PROVISIONS

SECTION 101. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Stewart B. McKinney Homeless Assistance Act".

(b) TABLE OF CONTENTS.—

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TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

[Subtitle A—Adult Education for the Homeless

[Sec. 701. Amendment to Adult Education Act.
[Sec. 702. State literacy initiatives.

[Subtitle B—Education for Homeless Children and Youth

[Sec. 721. Statement of policy.

[Sec. 722. Grants for State and local activities for the education of homeless children and youth.
[Sec. 723. Local educational agency grants for the education of homeless children and youth.
[Sec. 724. National responsibilities.
[Sec. 725. Reports.
[Sec. 726. Definitions.]

Subtitle A—Adult Education for the Homeless

Sec. 701. State literacy initiatives

Subtitle B—Education for Homeless Children and Youth

Sec. 721. Statement of policy.
Sec. 722. Grants for state and local activities for the education of homeless children and youth.
Sec. 723. Local educational agency grants for the education of homeless children and youth.
Sec. 724. Secretarial responsibilities.
Sec. 725. Definitions.
Sec. 726. Authorization of appropriations.

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TITLE VII—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Subtitle A—Adult Education for the Homeless

[SEC. 701. AMENDMENT TO ADULT EDUCATION ACT.

[(a) STATE PLANS.—Section 306(b) of the Adult Education Act (20 U.S.C. 1205(b)) is amended—

[(1) in paragraph (1), by inserting "homeless adults," after "English language skills,";

[(2) in paragraph (7), by inserting "organizations providing assistance to the homeless," after "antipoverty programs,"; and

[(3) in paragraph (8), by inserting "homeless adults," after "English language skills,".

[(b) RESEARCH AND DEMONSTRATION.—Section 309(a)(1)(A) of the Adult Education Act (20 U.S.C. 1207a(a)(1)(A)) is amended—

[(1) by inserting "homeless adults," before "elderly"; and

[(2) by inserting a comma after "individual".

[SEC. 702. STATE LITERACY INITIATIVES.

[(a) GENERAL AUTHORITY.—The Secretary of Education shall make grants to State educational agencies to enable each such agency to implement, either directly or through contracts and grants, a program of literacy training and basic skills remediation for adult homeless individuals within the State, which shall—

[(1) include a program of outreach activities; and

[(2) be coordinated with existing resources such as community-based organizations, VISTA recipients, adult basic education program recipients, and nonprofit literacy-action organizations.

[(b) APPLICATION.—Each State educational agency desiring to receive its allocation under this section shall submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall include an estimate of the number of homeless expected to be served.

[(c) Authorization of Appropriations; Allocation.—

[(1) There is authorized to be appropriated $10,000,000 for each of the fiscal years 1989 and 1990, $13,700,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992, and 1993, for the adult literacy and basic skills remediation programs authorized by this section.

[(2) The Secretary of Education shall distribute funds to States on the basis of the assessments of the homeless population in the States made in the comprehensive plans submitted under this Act, except that no State shall receive less than $75,000 under this section.

[(d) Definition.—As used in this section, the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

[Subtitle B—Education for Homeless Children and Youth

[SEC. 721. STATEMENT OF POLICY.

[It is the policy of the Congress that—

[(1) each State educational agency shall assure that each child of a homeless individual and each homeless youth have access to a free, appropriate public education which would be provided to the children of a resident of a State and is consistent with the State school attendance laws;

[(2) in any State that has a residency requirement as a component of its compulsory school attendance laws or other laws, regulations, practices, or policies that may act as a barrier to the enrollment, attendance, or success in school of homeless children and homeless youth, the State will review and undertake steps to revise such laws, regulations, practices, or policies to assure that the children of homeless individuals and homeless youth are afforded a free and appropriate public education; and

[(3) homelessness alone should not be sufficient reason to separate students from the mainstream school environment.

[SEC. 722. GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

[(a) General Authority.—The Secretary of Education is, in accordance with the provisions of this section, authorized to make grants to States to carry out the activities described in subsections (c), (d), and (e).

[(b) Allocation.—From the amounts appropriated for each fiscal year pursuant to subsection (g), the Secretary shall allot to each State an amount which bears the same ratio to the amount appropriated in each such year as the amount allocated under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 to the local educational agencies in the State in that year bears to the total amount allocated to such agencies in all States, except that no State shall receive less than $50,000. The Secretary shall reserve 0.1 percent of the amount appropriated for each fiscal year to be allocated by the Secretary among the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 90–658), according to their respective need, as determined by the Secretary, except that no such territory shall receive less in fiscal year 1991 than it received in fiscal year 1990. The Secretary may also reserve not to exceed 1 percent of the amount appropriated for each fiscal year for programs for Indian students served by schools funded by the Secretary of the Interior, as determined under the Indian Self-Determination and Education Assistance Act consistent with the purposes of this Act. As used in this subsection, the term "State" shall not include the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or Palau.

[(c) AUTHORIZED ACTIVITIES.—Grants under this section shall be used—

[(1) to carry out the policies set forth in section 721 in the State;

[(2) to provide activities for and services to homeless children and homeless youths that enable such children and youths to enroll in, attend, and achieve success in school;

[(3) to establish or designate an Office of Coordinator of Education of Homeless Children and Youth in accordance with subsection (d);

[(4) to prepare and carry out the State plan described in subsection (e);

[(5) to develop and implement programs for school personnel to heighten awareness of specific problems of the education of homeless children and youth; and

[(6) if amounts appropriated for the applicable fiscal year exceed the amount appropriated for fiscal year 1990 under this section, to provide grants to local educational agencies for purposes of this section, and if such amounts appropriated do not exceed the amount appropriated for fiscal year 1991, the State education agency, at the discretion of such agency, may provide such grants.

[(d) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

[(1) once every two years, gather data on the number and location of homeless children and youth in the State, and such data gathering shall include the number of homeless children and homeless youths enrolled in schools in the State, determined through random sampling or other statistical methods that ensure that such children and youths are not overtly identified as being homeless, the nature and extent of problems of access to, and placement of, homeless children and homeless youth in elementary and secondary schools, the difficulties in identifying the special needs of such children, and any progress made by the State educational agency and local educational agencies within the State in addressing such problems and difficulties;

[(2) develop and carry out the State plan described in subsection (e);

[(3) prepare and submit to the Secretary not later than December 31, 1991, and on December 31 of every second year thereafter a report on the data gathered pursuant to paragraph (1);

[(4) facilitate coordination between the State education agency, the State social services agency, and other agencies providing services to homeless children and youth and their families; and

[(5) develop relationships and coordinate with other relevant education, child development, or preschool programs and providers of services to homeless children, homeless families, and runaway and homeless youths (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youths) in order to improve the provision of comprehensive services to homeless children and homeless youths and the families of such children and youths.

To the extent that reliable current data is available in the State, each coordinator described in this subsection may use such data to fulfill the requirements of paragraph (1).

[(e) STATE PLAN.—

[(1) Each State shall adopt a plan to provide for the education of each homeless child or homeless youth within the State which will contain provisions designed to—

[(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, the homeless youth, or the applicable social worker to make the determinations required under this section;

[(B) provide procedures for the prompt resolution of disputes regarding the educational placement of homeless children and youth;

[(C) develop programs for school personnel (including principals, attendance officers, teachers, and enrollment personnel), to heighten the awareness of such personnel of the specific educational needs of runaway and homeless youths; and

[(D) ensure that homeless children and homeless youths who meet the relevant eligibility criteria are able to participate in Federal, State, or local food programs.

[(E) ensure that homeless children and homeless youths who meet the relevant eligibility criteria are able to participate in Federal, State, or local before- and after-school care programs and provide for the disclosure of data concerning the participation of such children in such programs in plans submitted by the State after the initial plan of the State;

[(F) address problems set forth in the report provided to the Secretary under subsection (d)(3);

[(G) address problems with respect to the education of homeless children and homeless youths, including problems caused by—

[(i) transportation issues; and

[(ii) enrollment delays which are caused by—

[(I) immunization requirements;

[(II) residency requirements;

[(III) lack of birth certificates, school records, or other documentation; or

[(IV) guardianship issues;

[(H) demonstrate that the State and local educational agencies in the State have developed and will review and revise policies to remove barriers to the enrollment and retention of homeless children and homeless youths in schools of the State; and

[(I) ensure that the State educational agency and local educational agencies within the State will adopt policies and practices to ensure that homeless children and homeless youths are not isolated or stigmatized.

[(2) Each plan adopted under this subsection shall assure, to the extent practicable under requirements relating to education established by State law, that local educational agencies within the State will comply with the requirements of paragraphs (3) through (9).

[(3)(A) The local educational agency of each homeless child and each homeless youth shall either—

[(i) continue the child's or youth's education in the school of origin—

[(I) for the remainder of the academic year; or

[(II) in any case in which a family becomes homeless between academic years, for the following academic year; or

[(ii) enroll the child or youth in any school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend;

whichever is in the child's best interest or the youth's best interest.

[(B) In determining the best interests of the child or youth for purposes of making a school assignment under subparagraph (A), consideration shall be given to a request made by a parent regarding school selection.

[(C) For purposes of this paragraph, the term "school of origin" shall mean the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

[(4) The choice regarding placement shall be made regardless of whether the child or youth is living with the homeless parents or has been temporarily placed elsewhere by the parents.

[(5) Each homeless child shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including transportation services, educational services for which the child meets the eligibility criteria, such as compensatory educational programs for the disadvantaged, and educational programs for the handicapped and for students with limited English proficiency; programs in vocational education; programs for the gifted and talented; and school meals programs.

[(6) Any record ordinarily kept by the school, including immunization records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, of each homeless child or youth shall be maintained—

[(A) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

[(B) in a manner consistent with section 438 of the General Education Provisions Act.

[(7) Each local educational agency serving homeless children or youth that receives assistance under this title shall coordinate with local social services agencies, and other agencies or programs providing services to such children or youth and their families.

[(8) Each local educational agency that receives assistance under this title shall designate a homelessness liaison to ensure that—

[(A) homeless children and youth enroll and succeed in the schools of that agency; and

[(B) homeless families, children and youth receive educational services for which they are eligible, and referrals to health care services, dental services, mental health services, and other appropriate services.

State coordinators and local educational agency liaisons shall inform school personnel, service providers and advocates working with homeless families of the duties of the liaisons.

[(9) Each State and local educational agency shall review and revise any policies that may act as barriers to the enrollment of homeless children and youth in schools selected in accordance with paragraph (3). In reviewing and revising such policies, consideration shall be given to issues concerning transportation, requirements of immunization, residency, birth certificates, school records, or other documentation, and guardianship. Special attention shall be given to ensuring the enrollment and attendance of homeless children and youths who are not currently attending school.

[(f) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

[(g) AUTHORIZATION OF APPROPRIATIONS.—

[(1) There is authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993.

[(2) The State educational agency may reserve not to exceed 5 percent of the amount received by such agency under this section in each fiscal year, or an amount equal to the amount received by such State agency for State activities under this section in fiscal year 1990, whichever is greater, to conduct activities under paragraphs (1) through (5) of subsection (c).

[(3)(A) In any fiscal year in which the amount appropriated under paragraph (1) does not equal or exceed $100,000,000, the State educational agency shall use funds not otherwise reserved under paragraph (2) to award grants to local educational agencies in accordance with subsection (c)(6).

[(B) In any fiscal year in which the amount appropriated under paragraph (1) equals or exceeds $100,000,000, the State educational agency shall use funds not otherwise reserved under paragraph (2) to allocate to each local educational agency an amount that bears the same ratio to amount not otherwise reserved as the aggregate amount received by such local educational agency under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 for such fiscal year bears to the aggregate amount received by all local educational agencies in the State for purposes of carrying out such part for such fiscal year.

[(4) Sums appropriated in each fiscal year shall remain available for the succeeding fiscal year.

[SEC. 723. LOCAL EDUCATIONAL AGENCY GRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

[(a) GENERAL AUTHORITY.—

[(1) GRANTEES AND PURPOSE OF GRANTS.—The State educational agency shall, in accordance with section 722(c)(6) and from amounts made available to such agency under section 722, make grants to local educational agencies for the purpose of facilitating the enrollment, attendance and success of homeless children and youths in schools.

[(2) USE OF GRANTS.—Unless otherwise specified, services under paragraph (1) may be provided through programs on school grounds or at other nonsectarian facilities. Where services are provided through programs on school grounds, such services may also be made available to children or youths who are determined by the local educational agency to be at risk of failing in or dropping out of schools, except that priority for such services shall be given to homeless children and homeless youths. To the maximum extent practicable, services shall be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals.

[(3) REGULAR ACADEMIC PROGRAM.—Services provided under this section are not intended to replace the regular academic program.

[(b) AUTHORIZED ACTIVITIES.—

[(1) PRIMARY ACTIVITIES.—Not less than 50 percent of amounts provided under a grant under this section shall be used to provide tutoring, remedial education services, or other education services to homeless children or homeless youths.

[(2) RELATED ACTIVITIES.—Not less than 35, nor more than 50, percent of the amounts provided under a grant under this section may be used for activities that may include—

[(A) the provision of expedited evaluations of the strengths and needs of homeless children and homeless youths, including needs and eligibility for programs and services (including gifted and talented programs, special education programs, programs for students with limited English proficiency, and remedial services);

[(B) professional development for educators and other school personnel that is designed to develop awareness and sensitivity to the needs of homeless children and homeless youths and the rights of such children and youths under this Act;

[(C) the provision of referral services to homeless children and homeless youths for medical, dental, mental, and other health services;

[(D) the provision of assistance to defray the excess cost of transportation for students not provided under section 722(e)(5) and not otherwise provided through Federal, State, or local funding, where necessary to enable students to attend the school selected under section 722(e)(3);

[(E) the provision of developmentally appropriate early childhood programs for preschool age children;

[(F) the provision of before- and after-school and summer programs for homeless children or homeless youths in which a teacher or other qualified individual provides tutoring, homework assistance, and supervision of educational activities;

[(G) where necessary, the payment of fees and other costs associated with tracking, obtaining, and transferring records necessary to enroll homeless children or homeless youths in school, including birth certificates, immunization records, academic records, guardianship records, and evaluations for special programs or services;

[(H) the provision of parent education and training to the parents of homeless children and homeless youths about the rights of and resources available to such children and youths;

[(I) the development of coordination between schools and agencies providing services to homeless children and homeless youths;

[(J) the provision of counseling, social work and psychological services, including violence counseling, and referrals for such services;

[(K) activities to address the particular needs of homeless children and homeless youths that may arise from domestic violence;

[(L) activities to develop and implement programs for school personnel to heighten the awareness of such personnel of the specific educational needs of runaway and homeless youths;

[(M) the adaptation of space and the purchase of supplies for nonschool facilities made available under subsection (a)(2) to provide services under this subsection;

[(N) the provision of school supplies to be distributed at the shelter or temporary housing facilities; and

[(O) the provision of such other extraordinary or emergency assistance determined by the Secretary as essential to enable homeless children and youth to attend school.

[(3) ELIGIBILITY.—No State or local educational agency may receive a grant under this section unless the State in which the agency is located has submitted a State plan as required by section 722(e).

[(c) AWARDS.—

[(1) BASIS.—Except as provided in section 722(g)(3)(B), from amounts appropriated for each fiscal year under section 722(g), the State educational agency may award grants under this section to local educational agencies submitting an application under subsection (d) on the basis of the need of such agencies.

[(2) DETERMINATION.—In determining need under paragraph (1), the State educational agency may consider the number of homeless children and homeless youth enrolled in preschool, elementary, and secondary schools within the area served by the agency, and shall consider the needs of such children and youth, and the ability of the agency to meet such needs. Such agency may also consider—

[(A) the extent to which the proposed use of funds would facilitate the enrollment, retention, and educational success of homeless children and youth;

[(B) the extent to which the application reflects coordination with other local and State agencies that serve homeless children and youth, as well as the State Plan required by section 722(e);

[(C) the extent to which the applicant exhibits in the application and in current practice a commitment to education for all homeless children and youth in its jurisdiction; and

[(D) other criteria as the agency determines appropriate.

[(d) APPLICATION.—

[(1) IN GENERAL.—A local educational agency that desires to receive a grant under this section shall submit an application to the State educational agency at such time, in such manner, and containing or accompanied by such information as the State agency may reasonably require according to guidelines issued by the Secretary. Each such application shall include—

[(A) a description of the services and programs for which assistance is sought and the problems sought to be addressed through the provision of such services and programs;

[(B) assurances that the applicant complies with or will use requested funds to come into compliance with paragraphs (3) through (9) of section 722(e);

[(C) an assurance that assistance under the grant will supplement and not supplant funds used before the award of the grant for purposes of providing services to homeless children and homeless youths; and

[(D) a description of policies and procedures that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and homeless youth.

[(3) TERM OF AWARDS.—Grants awarded under this section shall be for terms of not to exceed 2 years.

[(e) REPORTS.—Each State educational agency that receives a grant under this section for any fiscal year shall, as part of the plan of the State submitted under section 722(c)(4), provide to Secretary data concerning—

[(1) the number of homeless children and homeless youths served with assistance provided under the grant under this section; and

[(2) a description of the success of the program under this section in allowing homeless children and homeless youths to enroll in, attend, and succeed in school.

[SEC. 724. NATIONAL RESPONSIBILITIES.

[(a) GENERAL ACCOUNTING OFFICE.—The Comptroller General of the United States shall prepare and submit to the Congress not later than June 30, 1988, a report on the number of homeless children and youth in all States.

[(b) SECRETARIAL RESPONSIBILITIES.—

[(1) The Secretary shall monitor and review compliance with the provisions of this subtitle in accordance with the provisions of the General Education Provisions Act. In reviewing the State plans submitted by the State educational agencies under section 722(e), the Secretary shall evaluate whether State laws, policies, and practices described in such plans adequately address the problems of homeless children and homeless youth relating to access to education and placement as described in such plans.

[(2)(A) The Secretary, in consultation with persons and organizations that are knowledgeable about the needs of homeless children and youth, shall, through the awarding of a grant, or through entering into a contract or cooperative agreement, conduct a study to determine the best means of identifying, locating, and counting homeless children and youth for the purposes of this subtitle. Such persons and organizations to be consulted shall include representatives of State coordinators, local educational agencies with substantial numbers of homeless children and youth, local government agencies with responsibility for administering homeless shelters, and advocacy groups representing the interests of homeless children and youth. The Secretary shall also consult with the Secretary of Health and Human Services and the Secretary of Housing and Urban Development, as appropriate, in carrying out this paragraph.

[(B) The study conducted under subparagraph (A) shall consider—

[(i) the appropriate definition of the terms "homeless child" and "homeless youth";

[(ii) the experience of the 1990 Census in identifying, locating, and counting homeless children and youth;

[(iii) appropriate methodologies for identifying, locating, and counting such children and youth, including using schools, shelters, and other social service agencies to collect data; and

[(iv) the projected accuracy of the methodologies identified in clause (iii), and the costs associated with the use of each methodology;

to determine the number of homeless children and youth in the United States to create as accurate an account as possible of the number, location, and living circumstances of such children and youth, including the number of such children and youth that are attending school regularly, part-time, or not at all, and reasons for the nonattendance of such children and youth.

[(C)(i) Not later than 240 days after the date of enactment of this paragraph, the Secretary shall prepare and submit, to the appropriate committees of Congress, a report containing the results of the study conducted under subparagraph (A) and the estimated costs of making the estimates required under clause (ii).

[(ii) Not later than December 1, 1992, the Secretary, in consultation with the appropriate committees of Congress, and through the use of appropriate statistical methodology, shall, through a grant, contract or cooperative agreement, determine accurate estimates of the number of homeless children and youth throughout the Nation and the number of such children and youth attending school.

[(D) The Secretary may reserve not more than $250,000 from amounts appropriated under section 722(g) in 1991 to carry out the study required under subparagraph (A).

[(E) There are authorized to be appropriated such sums as may be necessary in 1992 to prepare the report and estimates required under subparagraph (C).

[(3) The Secretary shall provide such support and technical assistance to the State educational agencies as is required by such agencies to carry out their responsibilities under this subtitle,

[(4) The Secretary shall prepare and submit a report to the Congress on the programs and activities authorized by this subtitle at the end of each fiscal year.

[(5) The Secretary shall compile and submit a report to the Congress containing the information received from the States pursuant to section 722(d)(3) within 45 days of its receipt.

[(5) The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students.

[(6) The Secretary shall require applications for grants under this subtitle to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

[(7) The Secretary, based on the information received from the States and information gathered by the Secretary under paragraph (1), shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education as described in section 721(1).

[SEC. 725. REPORTS.

[Not later than 2 years after the date of enactment of this subsection, the Comptroller General of the United States, in consultation with the Secretary, shall prepare and submit to the appropriate Committees of Congress a report containing the findings of a study conducted to determine the most effective method of distributing funds provided under this subtitle to State educational agencies and local educational agencies.

[SEC. 726. DEFINITIONS.

[As used in this subtitle—

[(1) the term "Secretary" means the Secretary of Education; and

[(2) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.]

Subtitle A—Adult Education for the Homeless

SEC. 701. STATE LITERACY INITIATIVES.

(a) GENERAL AUTHORITY.—(1) The Secretary of Education is authorized to make grants to State educational agencies to enable each such agency to implement, either directly or through contracts and grants, a program of literacy training and academic remediation for adult homeless individuals within the State, which program shall—

(A) include outreach activities; and

(B) be coordinated with other agencies or organizations, such as community-based organizations, nonprofit literacy-action organizations, and funding recipients under the Adult Education Act, title II of the Job Training Partnership Act, the Youth Fair Chance program under title IV of the Job Training Partnership Act, the Volunteers in Service to America program under the Domestic Volunteers Service Act, part C of this title, or the Job Opportunity and Basic Skills program under the Social Security Act.

(2) The Secretary of Education shall, in awarding grants under this section, give special consideration to the estimates submitted in the application submitted under subsection (b) and make such awards in whatever amounts he or she determines would best serve the purposes of this section.

(b) APPLICATION.—Each State educational agency desiring to receive a grant under this section shall submit to the Secretary of Education an application at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall include an estimate of the number of homeless individuals in the State and the number of such individuals expected to be served.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out the adult literacy and academic remediation programs authorized by this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1999.

(d) DEFINITION.—As used in this section, the term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Palau (until

the effective date of the Compact of Free Association with the Government of Palau).

Subtitle B—Education for Homeless Children and Youth

SEC. 721. STATEMENT OF POLICY.

It is the policy of the Congress that—

(1) each State educational agency shall ensure that each child of a homeless individual and each homeless youth has equal access to the same free, appropriate public education, including a public preschool education, as provided to other children and youth;

(2) in any State that has a compulsory residency requirement as a component of its compulsory school attendance laws or other laws, regulations, practices, or policies that may act as a barrier to the enrollment, attendance, or success in school of homeless children and youth, the State will review and undertake steps to revise such laws, regulations, practices, or policies to ensure that homeless children and youth are afforded the same free, appropriate public education as provided to other children and youth;

(3) homelessness alone should not be sufficient reason to separate students from the mainstream school environment; and

(4) homeless children and youth should have access to the education and other services that they need to ensure that they have an opportunity to meet the same challenging State performance standards to which all students are held.

SEC. 722. GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—The Secretary is, in accordance with the provisions of this section, authorized to make grants to States to carry out the activities described in subsections (d), (e), (f), and (g).

(b) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) ALLOCATION AND RESERVATIONS.—(1) Subject to paragraph (2) and section 724(c), from the amounts appropriated for each fiscal year pursuant to section 726, the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated in each such year as the amount allocated under section 1122 of the Elementary and Secondary Education Act of 1965 to the State in that year bears to the total amount allocated to all States, except that no State shall receive less than $100,000.

(2)(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year pursuant to section 726 to be allocated by the Secretary among the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free As-

sociation with the Government of Palau), according to their respective need, as determined by the Secretary.

(B)(i) The Secretary is authorized to transfer one percent of the amount appropriated for each fiscal year under section 726 to the Department of the Interior for programs for Indian students served by schools funded by the Secretary of the Interior, as determined under the Indian Self-Determination and Education Assistance Act, that are consistent with the purposes of this Act.

(ii) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of this part, for the distribution and use of these funds under terms that the Secretary determines best meet the purposes of the covered programs. Such agreement shall set forth the plans of the Secretary of the Interior for the use of the amounts transferred, including appropriate goals, objectives, and milestones.

(3) As used in this subsection, the term "State" shall not include the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or Palau.

(d) ACTIVITIES.—Grants under this section shall be used—

(1) to carry out the policies set forth in section 721 in the State;

(2) to provide activities for, and services to, homeless children, including preschool-aged children, and homeless youth that enable such children and youth to enroll in, attend, and succeed in school, or, if appropriate, in preschool programs;

(3) to establish or designate an Office of Coordinator of Education of Homeless Children and Youth in the State educational agency in accordance with subsection (f);

(4) to prepare and carry out the State plan described in subsection (g); and

(5) to develop and implement professional development programs for school personnel to heighten their awareness of, and capacity to respond to, specific problems in the education of homeless children and youth.

(e) STATE AND LOCAL GRANTS.—(1)(A) Subject to subparagraph (B), if the amount allotted to the State educational agency for any fiscal year under this subtitle exceeds the amount such agency received for fiscal year 1990 under this subtitle, such agency shall provide grants to local educational agencies for purposes of section 723.

(B) The State educational agency may reserve not more than the greater of five percent of the amount it receives under this subtitle for any fiscal year, or the amount such agency received under this subtitle for fiscal year 1990, to conduct activities under subsection (f) directly or through grants or contracts.

(2) If the amount allotted to a State educational agency for any fiscal year under this subtitle is less than the amount such agency received for fiscal year 1990 under this subtitle, such agency, at its discretion, may provide such grants or may conduct activities under subsection (f) directly or through grants or contracts.

(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

(1) estimate the number of homeless children and youth in the State and the number of such children and youth served with assistance provided under the grants under this subtitle;

(2) gather, to the extent possible, reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs and to public elementary and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this subtitle in allowing homeless children and youth to enroll in, attend, and succeed in school;

(3) develop and carry out the State plan described in subsection (g);

(4) prepare and submit to the Secretary not later than October 1, 1997, and on October 1 of every third year thereafter, a report on the information gathered pursuant to paragraphs (1) and (2) and such additional information as the Secretary may require to carry out responsibilities under this subtitle;

(5) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth and their families, including children who are preschool age; and

(6) develop relationships and coordinate with other relevant education, child development, or preschool programs and providers of services to homeless children, homeless families, and runaway and homeless youth (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youth), to improve the provision of comprehensive services to homeless children and youth and their families.

(g) STATE PLAN.—(1) Each State shall submit to the Secretary a plan to provide for the education of homeless children and youth within the State, which plan shall describe how such children and youth are or will be given the opportunity to meet the same challenging State performance standards all students are expected to meet, shall describe the procedures the State educational agency will use to identify such children and youth in the State and to assess their special needs, and shall—

(A) describe procedures for the prompt resolution of disputes regarding the educational placement of homeless children and youth;

(B) describe programs for school personnel (including principals, attendance officers, teachers and enrollment personnel), to heighten the awareness of such personnel of the specific needs of runaway and homeless youth;

(C) describe procedures that ensure that homeless children and youth who meet the relevant eligibility criteria are able to participate in Federal, State, or local food programs;

(D) describe procedures that ensure that—

(i) homeless children have equal access to the same public preschool programs, administered by the State agency, as provided to other children; and

(ii) homeless children and youth who meet the relevant eligibility criteria are able to participate in Federal, State, or local before- and after-school care programs;

(E) address problems set forth in the report provided to the Secretary under subsection (f)(4);

(F) address other problems with respect to the education of homeless children and youth, including problems caused by—

(i) transportation issues; and

(ii) enrollment delays that are caused by—

(I) immunization requirements;

(II) residency requirements;

(III) lack of birth certificates, school records, or other documentation; or

(IV) guardianship issues;

(G) demonstrate that the State and local educational agencies in the State have developed, and will review and revise, policies to remove barriers to the enrollment and retention of homeless children and youth in schools in the State; and

(H) contain an assurance that the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youth are not isolated or stigmatized.

(2) Each plan adopted under this subsection shall also show how the State will ensure that local educational agencies in the State will comply with the requirements of paragraphs (3) through (9).

(3)(A) The local educational agency that serves each homeless child and youth shall, according to the child's or youth's best interest, either—

(i) continue the child's or youth's education in the school of origin—

(I) for the remainder of the academic year; or

(II) in any case in which a family becomes homeless between academic years, for the following academic year; or

(ii) enroll the child or youth in any public school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

(B) In determining the best interests of the child or youth under subparagraph (A), the local educational agency shall comply, to the extent possible, with the request made by a parent or guardian regarding school selection.

(C) For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

(D) The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere by the parents.

(4) Each homeless child or youth shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including—

(A) transportation services;

(B) educational services for which the child or youth meets the eligibility criteria, such as services provided under title I of the Elementary and Secondary Education Act of 1965 or simi-

lar State or local programs, educational programs for children with disabilities, and educational programs for students with limited-English proficiency;

(C) programs in vocational education;

(D) programs for gifted and talented students; and

(E) school meals programs.

(5) Any record ordinarily kept by the school, including immunization records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, of each homeless child or youth shall be maintained—

(A) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

(B) in a manner consistent with section 438 of the General Education Provisions Act.

(6) Each local educational agency serving homeless children and youth that receives assistance under this subtitle shall coordinate with local social services agencies and other agencies or programs providing services to such children or youth and their families, including services and programs funded under the Runaway and Homeless Youth Act.

(7)(A) Each local educational agency in a State that receives a grant under this subtitle shall designate a homelessness liaison to ensure that—

(i) homeless children and youth enroll and succeed in the schools of such agency; and

(ii) homeless families, children, and youth receive educational services for which they are eligible, including preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services.

(B) State coordinators and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons.

(8) Each State and local educational agency shall review and revise any policies that may act as barriers to the enrollment of homeless children and youth in schools selected in accordance with paragraph (3). In reviewing and revising such policies, consideration shall be given to issues concerning transportation, immunization, residency, birth certificates, school records, and other documentation, and guardianship. Special attention shall be given to ensuring the enrollment and attendance of homeless children and youth who are not currently attending school.

SEC. 723. LOCAL EDUCATIONAL AGENCY GRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

(a) GENERAL AUTHORITY.—(1) The State educational agency shall, in accordance with section 722(e) and with amounts made available to such agency under section 726, make grants to local educational agencies for the purpose of facilitating the enrollment, attendance, and success in school of homeless children and youth.

(2) Unless otherwise specified, services under paragraph (1) may be provided through programs on school grounds or at other facilities. Where services are provided through programs to homeless students on school grounds, schools may provide services to other children and youth who are determined by the local educational agency

to be at risk of failing in, or dropping out of, schools, on an incidental basis. To the maximum extent practicable, services shall be provided through existing programs and mechanisms that integrate homeless individuals with nonhomeless individuals.

(3) Services provided under this section are not intended to replace the regular academic program and shall be designed to expand upon or improve services provided as part of the school's regular academic program.

(b) APPLICATION.—A local educational agency that desires to receive a grant under this section shall submit an application to the State educational agency at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require according to guidelines issued by the Secretary. Each such application shall include—

(1) a description of the services and programs for which assistance is sought and the problems to be addressed through the provision of such services and programs;

(2) an assurance that the local educational agency's combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year;

(3) an assurance that the applicant complies with, or will use requested funds to come into compliance with, paragraphs (3) through (9) of section 722(g); and

(4) a description of policies and procedures that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youth.

(c) AWARDS.—(1) The State educational agency shall, in accordance with section 722(g) and with amounts made available to such agency under section 726, award grants under this section to local educational agencies submitting an application under subsection (b) on the basis of the need of such agencies.

(2) In determining need under paragraph (1), the State educational agency may consider the number of homeless children and youth enrolled in preschool, elementary, and secondary schools within the area served by the agency, and shall consider the needs of such children and youth and the ability of the agency to meet such needs. Such agency may also consider—

(A) the extent to which the proposed use of funds would facilitate the enrollment, retention, and educational success of homeless children and youth;

(B) the extent to which the application reflects coordination with other local and State agencies that serve homeless children and youth, as well as the State plan required by section 722(g);

(C) the extent to which the applicant exhibits in the application and in current practice a commitment to education for all homeless children and youth; and

(D) such other criteria as the agency determines appropriate.

(3) Grants awarded under this section shall be for terms not to exceed three years.

(d) AUTHORIZED ACTIVITIES.—(1) A local educational agency may use funds awarded under this section for activities to carry out the purpose of this subtitle, including—

(A) the provision of tutoring and accelerated instruction and enriched educational services that are linked to the achievement of the same challenging standards the State establishes for other children or youth;

(B) the provision of expedited evaluations of the strengths and needs of homeless children and youth, including needs and eligibility for programs and services (such as educational programs for gifted and talented students, children with disabilities, and students with limited-English proficiency, services provided under title I of the Elementary and Secondary Education Act of 1965 or similar State or local programs, programs in vocational education, and school meals programs);

(C) professional development and other activities for educators and other school personnel that is designed to heighten the understanding and sensitivity of such personnel to the needs of homeless children and youth, the rights of such children and youth under this Act, and the specific educational needs of runaway and homeless youth;

(D) the provision of referral services to homeless children and youth for medical, dental, mental, and other health services;

(E) the provision of assistance to defray the excess cost of transportation for students pursuant to sections 722(g)(4) or 722(g)(9), not otherwise provided through Federal, State, or local funding, where necessary to enable students to attend the school selected under section 722(g)(3);

(F) the provision of developmentally appropriate early childhood education programs, not otherwise provided through Federal, State, or local funding, for preschool-aged children;

(G) the provision of before- and after-school, mentoring, and summer programs for homeless children and youth in which a teacher or other qualified individual provides tutoring, homework assistance, and supervision of educational activities;

(H) where necessary, the payment of fees and other costs associated with tracking, obtaining, and transferring records necessary to enroll homeless children and youth in school, including birth certificates, immunization records, academic records, guardianship records, and evaluations for special programs or services;

(I) the provision of education and training to the parents of homeless children and youth about the rights of, and resources available to, such children and youth;

(J) the development of coordination between schools and agencies providing services to homeless children and youth, including programs funded under the Runaway and Homeless Youth Act;

(K) the provision of counseling (including violence prevention counseling), social work, and psychological services, and referrals for such services;

(L) activities to address the particular needs of homeless children and youth that may arise from domestic violence;

(M) the adaptation of space and purchase of supplies for nonschool facilities made available under subsection (a)(2) to provide services under this subsection;

(N) the provision of school supplies; and

(O) the provision of other extraordinary or emergency assistance needed to enable homeless children and youth to attend school.

SEC. 724. SECRETARIAL RESPONSIBILITIES.

(a) Review of Plans.—In reviewing the State plans submitted by the State educational agencies under section 722(g), the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in such plans adequately address the problems of homeless children and youth relating to access to education and placement as described in such plans.

(b) Technical Assistance.—The Secretary shall provide support and technical assistance to the State educational agencies to assist such agencies to carry out their responsibilities under this subtitle.

(c) Evaluation and Dissemination.—The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds appropriated under section 726 to conduct such activities.

(d) Submission and Distribution.—The Secretary shall require applications for grants under this subtitle to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

(e) Determination by Secretary.—The Secretary, based on the information received from the States and information gathered by the Secretary under subsection (d), shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education as described in section 721(1).

(f) Reports.—The Secretary shall prepare and submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the programs and activities authorized by this subtitle by December 31, 1997, and every third year thereafter.

SEC. 725. DEFINITIONS.

For the purpose of this subtitle, unless otherwise stated—

(1) The term "Secretary" means the Secretary of Education.

(2) The term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 726. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this subtitle, there are authorized to be appropriate $30,000,000 for fiscal year 1995 and such sums as may be necessary for each of the fiscal years 1996, 1997, 1998, and 1999.

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[PORTION OF APPROPRIATIONS AVAILABLE FOR PAYMENTS

[SEC. 2. For each fiscal year the Secretary shall determine the portion of the funds appropriated pursuant to section 1 which shall be available for carrying out the provisions of sections 9 and 10. The remainder of such funds shall be available for paying to local educational agencies the Federal share of the cost of projects for the construction of school facilities for which applications have been approved under section 6.

[ESTABLISHMENT OF PRIORITIES

[SEC. 3. The Secretary shall from time to time set dates by which applications for payments under this Act with respect to construction projects must be filed, except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later that September 30, 1993. The Secretary shall by regulation prescribe an order of priority, based on relative urgency of need, to be followed in approving applications in the event the funds appropriated under this Act and remaining available on any such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this Act have not already been obligated). Only applications meeting the conditions for approval under this Act (other than section 6(b)(2)(C)) shall be considered applications for purposes of the preceding sentence.]

SEC. 2. PORTION OF APPROPRIATIONS AVAILABLE FOR PAYMENTS.

For each fiscal year the Secretary shall distribute the funds appropriated in accordance with section 1 which shall be available for carrying out the provisions of sections 5, 9, 10, and 14. The funds provided under section 1 for the schools serving military dependents and Indian lands shall be divided equally between section 5 and section 14 of this Act. Funds provided under section 5 of this Act shall be divided equally between the priority categories of section 1(a)(1) and 1(a)(2) of this Act.

SEC. 3. ESTABLISHMENT OF PRIORITIES.

Applications for construction or modification projects provided for under this Act must be filed by June 30 of the fiscal year prior to the year in which funds are first requested. The Secretary shall use the following order of priority in approving applications under section 5 and funded in accordance with section 1(a)(1) and section 1(a)(2) of this Act. The priority of payment of application under section 1(a)(1) shall be based on the highest percentage of number of children in need of minimum school facilities. The priority of payment of applications under section 1(a)(2) shall be based on the highest percentage of federally connected students eligible for payment. The Secretary shall use the priorities stated in this section in *approving applications in the event the funds appropriated under section 1 of this title and remaining available on any such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under section 1 have not already been obligated). Only applications meeting the conditions for approval under this Act (other than section 6(b)(2)(C)) shall be considered applications for purposes of the preceding sentence. Such order of priority shall provide that applications payments based upon increases in the number of children residing on, or residing with a parent employed on property which is party of a low-rent housing project assisted under the United States Housing Act of 1937 shall not be approved for any fiscal year until all other applications under paragraph (2) of subsection (a) of section 5 have been approved for the fiscal year.*

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[LIMITATIONS ON TOTAL PAYMENTS TO ANY LOCAL EDUCATIONAL AGENCY

[SEC. 5. (a) Subject to the limitations in subsections (c) and (d), the total of the payments to a local educational agency under this Act may not exceed the sum of the following:

[(1) the estimated increase, since the base year, in—

[(A) the number of children determined with respect to such agency under section 3(a)(2) of the Act of September 30, 1950, multiplied by 100 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated;

[(B) the number of children determined with respect to such agency under section 3(a)(1) and such Act multiplied by 90 per centum of such cost;

[(2) the estimated increase, since the base year, in—

[(A) the number of children determined with respect to such agency under section 3(b)(3) of such Act multiplied by 50 per centum of such cost;

[(B) the number of children determined with respect to such agency under section 3(b)(1) of such Act multiplied by 45 per centum of such cost; and

[(C) the number of children determined with respect to such agency under section 3(b)(2) of such Act multiplied by 40 per centum of such cost;

[(3) the estimated increase, since the base year, in the number of children whose membership results directly from activities of the United States (carried on either directly or through a contractor), multiplied by 45 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated. For purposes of this paragraph, the Secretary shall not consider as activities of the United States those activities which are carried on in connection with real property excluded from the definition of Federal property by the last sentence of paragraph (1) of section 15, but shall (if the local educational agency so elects pursuant to subsection (b)) consider as children whose membership results directly from activities of the United States children residing on Federal property or residing with a parent employed on Federal property; and

[(4) for the fiscal year ending June 30, 1967, the estimated number of children, without regard to the limitation in subsection (d), whose membership in the schools of such local educational agency resulted from a change in residence from land transferred to Mexico as part of a relocation of an international boundary of the United States, multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; but if, by reason of any other provision of law, this clause is not considered in computing the maximum payments a local educational agency may receive for the fiscal year ending June 30, 1967, the additional amount such agency would have been entitled to receive shall be added to such agency's entitlement for the first fiscal year for which funds appropriated to carry out this Act may be used for such purpose.

In computing for any local educational agency the number of children in an increase under paragraph (1), (2), or (3), the estimated number of children described in such paragraph who will be in the membership of the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in the average daily membership of the schools of such agency during the base year.

[(b) If two or more of the paragraphs of subsection (a) apply to a child, the local educational agency shall elect which of such paragraphs shall apply to such child, except that, notwithstanding the election of a local educational agency to have paragraph (2) apply to a child instead of paragraph (1), the determination of the maximum amount for such agency under subsection (a) shall be made without regard to such election.

[(c) A local educational agency shall not be eligible to have any amount included in its maximum by reason of paragraph (1), (2), or (3) of subsection (a) unless the increase in children referred to in such paragraph, prior to the application of the limitation in subsection (d) is at least twenty and—

[(1) in the case of paragraph (1) or (2), is—

[(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

[(B) at least one thousand five hundred, whichever is the lesser; and

[(2) In the case of paragraph (3), is—

[(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

[(B) at least two thousand five hundred,

whichever is the lesser: Provided, That no local educational agency shall be regarded as eligible under this paragraph (2) unless the Secretary finds that the construction of additional minimum school facilities for the number of children in such increase will impose an undue financial burden on the taxing and borrowing authority of such agency.

[(d) If (1) the estimated number of nonfederally connected children who will be in the membership of the schools of a local educational agency at the close of the increase period is less than (2) 106 per centum of the number of such children who were in the average daily membership of such agency during the base year, the total number of children counted for purposes of subsection (a) with respect to such agency shall be reduced by the difference between (1) and (2) hereof, except that the number of children counted for the purposes of paragraph (1) or (2) of subsection (a) shall not be reduced by more than one thousand five hundred and that the number of children counted for the purposes of paragraph (3) of subsection (a) shall not be reduced by more than two thousand five hundred. For purposes of this subsection, all children in the membership of a local educational agency shall be counted as nonfederally connected children except children whose membership in the base year and increase period was compared in computing an increase which meets the requirements of subsection (c).

[(e) Notwithstanding the provisions of subsections (c), (d), and (f) of this section, whenever and to extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this Act, the Secretary may do any one or more of the following: (1) he may waive or reduce the minimum number requirement or any percentage requirement or requirements in subsection (c); (2) he may waive the requirement contained in the first sentence of subsection (d) or reduce the percentage specified in clause (2) of such sentence; or (3) he may waive or reduce the requirement contained in subsection (f).

[(f) In determining under this section the total of the payments which may be made to a local educational agency on the basis of any application, the total number of children counted for purposes of paragraph (1), (2), or (3), as the case may be, of subsection (a) may not exceed—

[(1) the number of children whose membership at the close of the increase period for the application is compared with membership in the base period for purposes of that paragraph, minus,

[(2) the number of such children whose membership at the close of the increase period was compared with membership in the base year for purposes of such paragraph under the last previous application, if any, of the agency on the basis of which any payment has been or may be made to that agency.]

SEC. 5. LIMITATION ON TOTAL PAYMENTS TO ANY LOCAL EDUCATIONAL AGENCY.

(a) Subject to the limitations in subsection (c) the total of the payments to a local educational agency under this Act may not exceed the sum of—

(1) the estimated increase, since the base year, in the number of children determined with respect to such agency who live on Federal property and have a parent who works on Federal property multiplied by 100 percent of the average per pupil cost

of constructing minimum school facilities in the State in which the school district of such agency is situated;

(2) the estimated increase, since the base year, in the number of children determined with respect to such agency who have a parent who lives on or works on Federal property multiplied by 50 percent of such cost;

(3) In computing for any local educational agency the number of children in an increase under paragraph (1) or (2), the estimated number of children described in such paragraph who will be in the membership of the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in average daily membership of the schools of such agency during the base year. However, the base year average daily membership shall be adjusted to exclude the number of children that formed the basis for previous payments on applications approved 30 or more years prior to the close of the increased period for the current application.

(b) If two of the paragraphs of subsection (a) apply to a child, the local educational agency shall elect which of such paragraphs shall apply to such child, except that, notwithstanding the election of a local educational agency to have paragraph (2) apply to a child instead of paragraph (1), the determination of the maximum amount for such agency under subsection (a) shall be made without regard to such election.

(c) A local educational agency shall not be eligible to have any amount included in its maximum by reason of paragraphs (1), (2), and (3) of subsection (a) unless the increase in children referred to in such paragraph is at least 20, and in the case of paragraphs (1), (2), and (3) of subsection (a), is—

(1) equal to at least 6 percent of the number of federally connected children who were in the average daily membership of the schools of such agency during the base year, or

(2) at least 750,

whichever is the lesser.

(d) Notwithstanding the provisions of subsection (c) of this section, whenever and to the extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of the Act, the Secretary may waive or reduce the minimum number requirement or any percentage requirement or requirements in subsection (c).

(e) In determining under this section the total of the payments which may be made to a local educational agency on the basis of any application, the total number of children counted for purposes of paragraph (1) or (2), as the case may be, of subsection (a) may not exceed—

(1) the number of children whose membership at the close of the increase period for the application is compared with average daily membership in the base period for purposes of that paragraph, provided that the base year average daily membership does not include any children which formed the basis of payment in the applications approved 30 or more years ago, minus

(2) the number of such children whose membership at the close of the increase period was compared with membership in the base year for purposes of such paragraph under the last pre-

vious application, provided the application was funded within the last 4 years, if any, of the agency on the basis of which any payments have been or may be made to that agency.

APPLICATIONS

SEC. 6. (a) * * *

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(d) If the application has not been funded within the 3-year period, the local educational agency must recertify their need to have the application remain active.

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ACT OF SEPTEMBER 30, 1950

PUBLIC LAW 874, 81st CONG.

[TITLE I—FINANCIAL ASSISTANCE FOR LOCAL EDUCATION AGENCIES IN AREAS AFFECTED BY FEDERAL ACTIVITY

[DECLARATION OF POLICY

[SECTION 1. (a) In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following sections of this title) for those local educational agencies upon which the United States has placed financial burdens by reason for the fact that—

[(1) the revenues available to such agencies from local sources have been reduced as the result of the acquisition of real property by the United States; or

[(2) such agencies provide education for children residing on Federal property; or

[(3) such agencies provide education for children whose parents are employed on Federal property; or

[(4) there has been a sudden and substantial increase in school attendance as the result of Federal activities.

[(b) There are authorized to be appropriated $735,000,000 for fiscal year 1989, $785,000,000 for fiscal year 1990, $835,000,000 for fiscal year 1991, $885,000,000 for fiscal year 1992, and $935,000,000 for fiscal year 1993, to carry out the provisions of this Act.

[FEDERAL ACQUISITION OF REAL PROPERTY

[SEC. 2. (a) Where the Secretary, after consultation with any local educational agency and with the appropriate State educational agency, determines for any fiscal year ending prior to October 1, 1993—

[(1) that the United States owns Federal property in the school district of such local educational agency, and that such property (A) has been acquired by the United States since 1938, (B) was not acquired by exchange for other Federal property in the school district which the United States owned before 1939, and (C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 per centum or more of the assessed value of all real property in the school district (similarly determined as of the time or times when such Federal property was so acquired); and

[(2) that such acquisition has placed a substantial and continuing financial burden on such agency; and

[(3) that such agency is not being substantially compensated for the loss in revenue resulting from such acquisition by increases in revenue accruing to the agency from the carrying on of Federal activities with respect to the property so acquired,

then the local educational agency shall be entitled to receive for such fiscal year such amount as, in the judgment of the Secretary, is equal to the continuing Federal responsibility for the additional financial burden with respect to current expenditures placed on such agency by such acquisition of property. Such amount shall not exceed the amount which, in the judgment of the Secretary, such agency would have derived in such year, and would have had available for current expenditures, from the property acquired by the United States (such amount to be determined without regard to any improvements or other changes made in or on such property since such acquisition). In making the determination of the amount that would have been derived in such year, the Secretary shall apply the current levied real property tax rate for current expenditures levied by fiscally independent local educational agencies or imputed for fiscally dependent local educational agencies to the current annually determined aggregate assessed value of such acquired Federal property.

[(b) For the purposes of this section any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933, as amended, shall not be regarded as Federal property.

[(c) Where the school district of any local educational agency shall have been formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at the time it files application under section 5) for any fiscal year to have (1) the eligibility of such local educational agency, and (2) the amount which such agency shall be entitled to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school district as the agency shall designate in such election.

[(d) Any payment made to a local educational agency for any fiscal year prior to 1987 that is attributable to an incorrect determination under subsection (a)(1)(C) shall be deemed to have been made in accordance with such subsection.

[(e) The United States shall be deemed to own Federal property, for the purposes of this Act where—

[(1) prior to the transfer of Federal property, the United States owned Federal property meeting the requirements of subparagraphs (A), (B), and (C) of subsection (a)(1); and

[(2) the United States transfers a portion of the property referred to in paragraph (1) to another nontaxable entity, and the United States—

[(A) restricts some or any construction on such property;

[(B) requires that the property be used in perpetuity for the public purposes for which it was conveyed;

[(C) requires the grantee of the property to report to the Federal Government (or its agent) setting forth information on the use of the property;

[(D) prohibits the sale, lease assignment or other disposal of the property unless to another eligible government agency and with the approval of the Federal Government (or its agent); and

[(E) reserves to the Federal Government a right of reversion at any time the Federal Government (or its agent) deems it necessary for the national defense.

[(f) Beginning with fiscal year 1991, any school district which (1) as demonstrated by written evidence from the United States Forest Service satisfactory to the Secretary, contains between 50,000 and 55,000 acres of land that has been acquired by the United States Forest Service between 1915 and 1990, and (2) serves a county chartered by State law in 1875, shall be deemed to have met the requirements of subsection 2(a)(1)(C).

[CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

[CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY

[SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Secretary shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and—

[(1) did so with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency; or

[(2) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code).

In making a determination under clause (2) of the preceding sentence with respect to a local educational agency for any fiscal year, the Secretary shall include the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who, while in attendance at such schools, resided on Indian lands, as described in clause (A) of section 403(1).

[CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY

[(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to October 1, 1993, the Secretary shall, in addition to any determination made with respect to such agency under subsection (a), determine the number of children (other than children with respect to whom a determination is made for such fiscal year under subsection (a) who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either—

[(1) resided on Federal property, or

[(2) resided with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or in whole or in part in the school district of such agency if the school district is located in more than one county, or (B) if not in such county or district, in whole or in part in the same State as the school district of such agency, or

[(3) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code).

For such purpose, with respect to a local educational agency, in the case of any fiscal year ending prior to October 1, 1993, the Secretary shall also determine the number of children (other than children to whom subsection (a) or the preceding sentence applies) who were in average daily attendance at the schools of such agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the beginning of the fiscal year for which the determination is made, a refugee who meets the requirements of clauses (A) and (B) of section 2(b)(3) of the Migration and Refugee Assistance Act of 1962, except that the Secretary shall not include in his determination under this sentence of any fiscal year any child with respect to whose education a payment was made under section 2(b)(4) of such Act.

[ELIGIBILITY FOR PAYMENTS

[(c)(1) Except as is provided in paragraph (2), no local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under subsection (a) and subsection (b), unless the number of children so determined with respect to such agency amounts to—

[(A) at least four hundred such children; or

[(B) a number of such children which equals at least 3 per centum of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education;

whichever is the lesser.

[(2)(A)(i) If a local educational agency is eligible for a payment for any fiscal year by the operation of clause (B) of paragraph (1), it shall continue to be so eligible for the two succeeding fiscal years even if such agency fails to meet the requirement of such clause (B) during such succeeding fiscal years, except that the number of children determined for the second such succeeding fiscal year with respect to such agency for the purpose of any clause in paragraph (1) of subsection (d) shall not exceed 50 per centum of the number of children determined with respect to such agency for the purpose of that clause for the last fiscal year during which such agency was so eligible.

[(ii) If the Secretary determines with respect to any local educational agency for any fiscal year that—

[(I) such agency does not meet the requirement of clause (B) of paragraph (1); and

[(II) the application of such requirement, because of exceptional circumstances, would defeat the purposes of this title;

the Secretary is authorized to waive such requirement with respect to such agency.

[(B) No local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children so determined constitutes at least 20 per centum of the total number of children who were in average daily attendance at the schools of such agency and for whom such agency, during such fiscal year, provided free public education.

[AMOUNT OF PAYMENTS

[(d)(1) Except as is provided in paragraph (2), the amount to which a local educational agency shall be entitled under this section for any fiscal year shall be—

[(A) in the case of any local educational agency with respect to which the number of children is determined under subsection (a) an amount equal to 100 per centum of the local contribution rate multiplied by the number of children determined under such subsection plus the product obtained with respect to such agency under subparagraph (B); and

[(B) in any other case, an amount equal to 25 per centum of the local contribution rate multiplied by the number of children determined with respect to such agency for such fiscal year under subsection (b).

[(2)(A)(i) Except as provided in clause (ii), for any fiscal year after September 30, 1988, funds reserved to make payments under subparagraph (B) shall not exceed $25,000,000 from the funds appropriated for such fiscal year.

[(ii) In the event that the payments made under subparagraph (B) in any fiscal year are less than $25,000,000, such remaining funds as do not exceed $25,000,000 shall remain available until expended for the purpose of carrying out the provisions of subparagraph (B). Such remaining funds shall not be considered part of the funds reserved to make payments under subparagraph (B), but shall be expended if funds in excess of $25,000,000 are needed to carry out the provisions of subparagraph (B) in any fiscal year.

[(iii) If for any fiscal year the total amount of payments to be made under subparagraph (B) exceeds $25,000,000 and the funds described in clause (ii) are insufficient to make such payments, then the provisions of clause (i) shall not apply.

[(B) If the Secretary determines that

[(i) the amount of payment resulting from paragraph (1), as is otherwise provided in this subsection with respect to any local educational agency for any fiscal year, together with the funds available to such agency from State and local sources and from other sections of this title, determined in accordance with subparagraph (E), is less than the amount necessary to enable such agency to provide a level of education equivalent to the State average during the preceding fiscal year or to the average of that maintained during the preceding fiscal year in three or more of the school districts of the State which are generally comparable to the school district of such agency, whichever is higher, increased or decreased, as the case may be, in the same percentage as the cost of such level of education increased or decreased from the second preceding fiscal year to the prior fiscal year;

[(ii) such agency is making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

[(iii) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education were, during such fiscal year, determined under either subsection (a) or subsection (b), or both; and

[(iv) the eligibility of such agency under State law for State aid with respect to free public education of children residing on Federal property, and the amount of such aid, are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Secretary shall increase the actual payment made pursuant to the amount computed under paragraph (1) with respect to such agency for such fiscal year to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts. The increase computed under this subparagraph shall be sufficient to allow the school district of the local educational agency to provide a level of education (calculated in accordance with this subparagraph) equal to the average of the three comparable districts in the State or the State average, whichever is greater, as described in clause (i). For the purpose of clause (ii), the Secretary shall determine that a reasonable tax effort has been made if the tax rate of the agency in the year for which the determination is made is an amount that is at least equal to 80 percent of the average tax rate for general fund purposes of comparable school districts for such fiscal year. Coterminous military districts shall be deemed to meet the requirement of such reasonable tax effort. Except for coterminous military districts, payments made to any agency under this subparagraph in any fiscal year shall be reduced by the percentage that the average tax rate for operational purposes of the comparable school districts or, if none, the State average tax rate, exceeds the tax rate of such agency. Subject to the provisions of subsection (h) of this section, the Secretary shall not, under, the preceding sentence, increase the amount computed under paragraph (1) with respect to any local educational agency for any fiscal year to an amount which exceeds the product of—

[(I) the amount the Secretary determines to be the cost per pupil of providing a level of education maintained in such comparable school districts during such fiscal year,

multiplied by—

[(II) the number of children determined with respect to such agency for such year under either subsection (a) or subsection (b), or both,

minus the amount of State aid which the Secretary determines to be available with respect to such children for the fiscal year for which the computation is being made. In carrying out the provisions of this subparagraph, the Secretary shall not prorate the amounts computed under this subparagraph attributable to the number of children determined under subsection (a) or (b), or both. In carrying out the provisions of this subparagraph, the Secretary shall count the actual number of children with respect to such agency for each fiscal year under subsection (b) without regard to the provisions of subparagraph (E) of this paragraph.

[(C)(i) The amount of the entitlement of any local educational agency under this section for any fiscal year with respect to children with disabilities and children with specific learning disabilities for whom a determination is made under subsection (a)(2) or (b)(3) and for whom such local educational agency is providing a program designed to meet the special educational and related needs of such children shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 150 per centum.

[(ii) For the purposes of division (i), programs designed to meet the special educational and related needs of such children shall be consistent with criteria established under division (iii).

[(iii) The Secretary shall by regulation establish criteria for assuring that programs (including preschool programs) provided by local educational agencies for children with respect to whom this subparagraph applies are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and in the implementation of such regulations the Secretary shall consult with persons in charge of special education programs for children with disabilities in the educational agency of the State in which such local educational agency is located.

[(iv) For the purpose of this subparagraph the term "children with disabilities" has the same meaning as specified in section 602(1) of the Education of the Handicapped Act and the term "children with specific learning disabilities" has the same meaning as specified in section 602(15) of such Act.

[(D) The amount of the entitlements of any local educational agency under this section for any fiscal year with respect to children who, while in attendance at such agency, resided on Indian lands, as described in clause (A) of section 403(1), shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 125 per centum. Funds received under this section may be used to pay tuition for any student not eligible for funding under section 1128 of Public Law 95–561 in any school receiving funding under such section. No condition involving program or personnel shall apply to any such payments.

[(E) For the purpose of subparagraph (B)(i) of this paragraph—

[(i) available funds may not include any cash balance at the end of a year allowed under State law; or

[(ii) whenever no State law governing cash balance exists, available funds may not include 30 percent of the local educational agency's operating costs.

[(3)(A) Except as is provided in subparagraph (B), in order to compute the local contribution rate for a local educational agency for any fiscal year, the Secretary, after consulting with the State educational agency of the State in which the local educational agency is located and with the local educational agency, shall determine which school districts within such State are generally comparable to the school district of the local educational agency for which the computation is being made. The local contribution rate for such agency shall be the quotient of—

[(i) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, which the local educational agencies of such comparable school districts derived from local sources,

divided by—

[(ii) the aggregate number of children in average daily attendance for whom such agency provided free public education during such second preceding fiscal year.

[(B)(i) The local contribution rate for a local educational agency in any State shall not be less than—

[(I) 50 per centum of the average per pupil expenditure in such State, or

[(II) 50 per centum of such expenditures in all the States,

whichever is greater, except that clause (II) shall not operate in such a manner as to make the local contribution rate for any local educational agency in any State exceed an amount equal to the average per pupil expenditure in such State.

[(ii) If the current expenditures in those school districts which the Secretary has determined to be generally comparable to the school district of the local educational agency for which a computation is made under subparagraph (A) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of such agency, a level of education equivalent to that maintained in such other school districts, the Secretary shall increase the local contribution rate for such agency by such an amount which he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. The amount of any such supplementary payment may not exceed the per pupil share (computed with regard to all children in average daily attendance), as determined by the Secretary, of the increased current expenditures necessitated by such unusual geographical factors.

[(iii) The local contribution rate for any local educational agency in—

[(I) Puerto Rico, Wake Island, Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands, or

[(II) any State in which a substantial proportion of the land is in unorganized territory, or

[(III) any State in which there is only one local education agency.

shall be determined for any fiscal year by the Secretary in accordance with policies and principles which will best achieve the purposes of this section and which are consistent with the policies and principles provided in this paragraph for determining local contribution rates in States where it is possible to determine generally comparable school districts.

[(C) The local contribution rate for a local educational agency shall include current expenditures from that portion of a real property tax required to be levied, collected, and distributed to local educational agencies by county governments pursuant to State law where the remainder of such real property tax is transferred to the State.

[(D) For the purposes of this paragraph—

[(i) the term "State" does not include Puerto Rico, Wake Island, Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands; and

[(ii) the "average per pupil expenditure" in a State shall be (I) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made of all local educational agencies in the State, divided by (II) the aggregate number of children in average daily attendance for whom such agencies provide free public education during such second preceding fiscal year.

[ADJUSTMENTS FOR DECREASES IN FEDERAL ACTIVITIES

[(e)(1) Whenever the Secretary of Education determines that—

[(A) for any fiscal year, the number of children determined with respect to any local educational agency under subsections (a) and (b) is less than 90 percent of the number so determined with respect to such agency during the preceding fiscal year;

[(B) there has been a decrease or cessation of Federal activities within the State in which such agency is located; and

[(C) such decrease or cessation has resulted in a substantial decrease in the number of children determined under subsections (a) and (b) with respect to such agency for such fiscal year;

the amount to which such agency is entitled for such fiscal year and for any of the 3 succeeding fiscal years shall not be less than 90 percent of the payment such agency received under this subsection and subsections (a) and (b) for the preceding fiscal year.

[(2) There is authorized to be appropriated for each fiscal year such amount as may be necessary to carry out the provisions of this subsection, which remain available until expended.

[(3) Expenditures pursuant to paragraph (2) shall be reported by the Secretary to the Committees on Appropriations and Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Human Resources of the Senate within 30 days of expenditure.

[(4) The Secretary shall make available to the Congress in the Department of Education's annual budget submission, the amount of funds necessary to defray the costs associated with the provisions of this subsection during the fiscal year for which the submission is made.

[DETERMINATIONS ON THE BASIS OF ESTIMATES

[(f) Determinations with respect to a number of children by the Secretary under this section for any fiscal year shall be made, whenever actual satisfactory data are not available, on the basis of estimates. No such determination shall operate, because of an under-estimate, to deprive any local educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

[(g) Notwithstanding any other provisions of this Act, no State may require that a vote of the qualified electors of a heavily impacted school district of a local educational agency be held to determine if such school district will spend the amounts to which the local educational agency is entitled under this Act.

[SPECIAL PROVISIONS

[(h)(1) Any local educational agency for which the boundaries of the school district of such agency are coterminous with the boundaries of a military installation and which is not eligible to receive payments under subsection (d)(2)(B) shall receive 100 percent of the amounts to which such agency is entitled under subsection (a) of this section.

[(2) For the fiscal year beginning October 1, 1987, and for each year thereafter, the local contribution rate for coterminous local educational agencies under paragraph (1) shall be not less than 70 per centum of the average per pupil expenditure in all States during the second preceding year prior to the fiscal year for which the determination is made unless such payment would raise the per pupil expenditure above the average for that State. Whenever the preceding sentence applies, the local contribution rate may not be less than the amount necessary to raise the per pupil expenditure for that district to the average per pupil expenditure for the State in which such agency is located. The first 2 sentences of this paragraph shall not apply for local educational agencies in any State in which the State equalization law would prohibit the local educational agency from retaining such additional funds or in which State law would require that the State contribution would be reduced in proportion to such additional funds. The local contribution rate for local educational agencies under this paragraph may not be less than 50 per centum of the average per pupil expenditure in all States during the second preceding fiscal year prior to the fiscal year for which the determination is made.

[SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE INCREASES HEREAFTER OCCURRING

[SEC. 4. (a) If the Secretary determines for any fiscal year ending prior to October 1, 1993—

[(1) that, as a direct result of activities of the United States (carried on either directly or through a contractor), an increase in the number of children in average daily attendance at the schools of any local educational agency has occurred in such fiscal year, which increase so resulting from activities of the United States is equal to at least 5 per centum of the difference between the number of children in average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property);

[(2) that such activities of the United States have placed on such agency a substantial and continuing financial burden; and

[(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance but is unable to secure sufficient funds to meet the increased educational costs involved,

then such agency shall be entitled to receive for such fiscal year an amount equal to the product of—

[(A) the number of children which the Secretary determines to be the increase, so resulting from activities of the United States, in such year in average daily attendance; and

[(B) the amount which the Secretary determines to be the current expenditures per child necessary to provide free public education to such additional children during such year, minus the amount which the Secretary determines to be available from State, local, and Federal sources for such purpose (not counting as available for such purpose either payments under this Act or funds from local sources necessary to provide free public education to other children).

For the next fiscal year (except where the determination under the preceding sentence has been made with respect to the fiscal year ending June 30, 1968) such agency shall be entitled to receive 50 per centum of such product reduced by the amount of such product which is attributable to children with respect to whom such agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year, but not to exceed for such year the amount which the Secretary determines to be necessary to enable such agency, with the State, local, and other Federal funds (exclusive of funds available under title II) available to it for such purpose, to provide a level of education equivalent to that maintained in the school districts in such State which in his judgment are generally comparable to the school district of such agency. The determinations whether an increase has occurred for purposes of clause (1) hereof and whether such increase meets the 5 per centum requirement contained in such clause, for any fiscal year, shall be made on the basis of estimates by the Secretary made prior to the close of such year, except that an underestimate made by the Secretary pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlements to any payments under this section to which it would be entitled had the estimate been accurate. The determination under clause (B) shall be made by the Secretary after considering the current expenditures per child in providing free public education in those school districts in the State which, in the judgment of the Secretary, are generally comparable to the school district of the local educational agency for which the computation is being made.

[INCREASES HERETOFORE OCCURRING

[(b)(1) If the Commissioner determines in any fiscal year ending before July 1, 1954—

[(A) that, as the result of activities of the United States (carried on either directly or through a contractor), an increase in the number of children in average daily attendance at the schools of any local educational agency has occurred after June 30, 1939, and before July 1, 1950; and

[(B) that the portion of such increase so resulting from activities of the United States which still exists in such fiscal year amounts to not less than 25 per centum (or to not less than 15 per centum where, in the judgment of the Commissioner, exceptional circumstances exist which would make the application of the 25 per centum condition of entitlement inequitable and would defeat the purposes of this Act) of the number of all children in average daily attendance at the schools of such agency during the fiscal year ending June 30, 1939; and

[(C) that such activities of the United States have placed on such agency a substantial and continuing financial burden; and

[(D) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance but is unable to secure sufficient funds to meet the increased educational costs involved,

then such agency shall be entitled to receive for the fiscal year in which the determination is made, and for each succeeding fiscal year ending before July 1, 1954, and amount determined as follows: For the fiscal year ending June 30, 1951, 100 per centum of the product determined as provided in paragraph (2); for the fiscal year ending June 30, 1952, 75 per centum of such product; for the fiscal year ending June 30, 1953, 50 per centum of such product; and for the fiscal year ending June 30, 1954, 25 per centum of such product.

[(2) The product referred to in paragraph (1) for a fiscal year shall be an amount equal to—

[(A) the number of children which the Commissioner determines to be the increase in average daily attendance at the schools of such agency, so resulting from activities of the United States, which still exists in such fiscal year (determined as provided in clauses (A) and (B) of paragraph (1)); multiplied by

[(B) the amount which the Commissioner determines to be the current expenditures per child necessary to provide free public education to such additional children during such year, minus the amount which the Commissioner determines to be available from Federal, State, and local sources for such purpose (not counting as available for such purpose either payments under this Act, or funds from local sources required to meet current expenditures necessary to provide free public education to other children).

The number of children which the Commissioner determines under clause (A) to be the increase in average daily attendance which still exists in any fiscal year shall not exceed the number of all children in average daily attendance at the schools of such agency during such year, minus the number of all children in average daily attendance at the schools of such agency during the year ending June 30, 1939. The determination under clause (B) shall be made by the Commissioner after considering the current expenditures per child in providing free public education in those school districts within the State which, in the judgment of the Commissioner, are most nearly comparable to the school district of the local educational agency for which the computation is being made.

[COUNTING OF CERTAIN CHILDREN

[(c) In determining under subsection (a) whether there has been an increase in attendance in any fiscal year directly resulting from activities of the United States and the number of children with respect to whom payment is to be made for any fiscal year, the Secretary shall not count—

[(A) children with respect to whom a local educational agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year: Provided, That the Secretary shall count for such purposes as an increase directly resulting from activities of the United States, an increase in the number of children who reside on Federal property or reside with a parent employed on Federal property, if the local educational agency files, in accordance with regulations of the Secretary, its election that such increase be counted for such purposes instead of for the purposes of section 3; and

[(B) children whose attendance is attributable to activities of the United States carried on in connection with real property which has been excluded from the definition of Federal property by the last sentence of paragraph (1) of section 403.

[ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

[(d) Whenever the Secretary determines that—

[(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) applies;

[(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

[(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur,

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Secretary, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Secretary determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur.

[CONSULTATION WITH STATE AND LOCAL AUTHORITIES

[(e) All determinations of the Secretary under this section shall be made only after consultation with the State educational agency and the local educational agency.

[METHOD OF MAKING PAYMENTS

[APPLICATION

[SEC. 5. (a) APPLICATIONS.—(1) Any local educational agency desiring to receive the payments to which it is entitled for any fiscal year under section 2, 3, or 4 shall submit an application therefor to the Secretary and file a copy with the State educational agency. Each such application shall be submitted in such form, and containing such information, as the Secretary may reasonably require to determine whether such agency is entitled to a payment under any of such sections and the amount of any such payment.

[(2) The Secretary shall establish a deadline for the receipt of applications. For each fiscal year beginning with fiscal year 1991, the Secretary shall accept an approvable application received up to 60 days after the deadline, but shall reduce the payment based on such late application by 10 percent of the amount that would otherwise be paid. The Secretary shall not accept or approve any application submitted more than 60 days after the application deadline.

[(3) Notwithstanding any other provision of law or regulation, a State educational agency that had been accepted as an applicant for funds under section 3 for fiscal years 1985, 1986, 1987 and 1988 shall be permitted to continue as an applicant under the same conditions by which it made application during such fiscal years only if such State educational agency distributes all funds received for the students for which application is being made by such State educational agency to the local educational agencies providing educational services to such students.

[PAYMENTS BY THE COMMISSIONER

[(b)(1) The Secretary shall pay to each local educational agency rounded to the nearest whole dollar, making application pursuant to subsection (a), the amount to which it is entitled under sections 2, 3, or 4. Sums appropriated, for any fiscal year, to enable the Secretary to make payments pursuant to this title shall, notwithstanding any other provision of law unless enacted in express limitation of this subsection, remain available for obligation and payments with respect to amounts due local educational agencies under this title for such fiscal year, until the end of the fiscal year succeeding the fiscal year for which such sums are appropriated. The Secretary shall return to the United States Treasury any funds appropriated for payments under this title for fiscal years 1988 and thereafter that, as the result of overpayments or unallowable expenditures, are recovered by the Department of Education after the end of the fifth fiscal year following the end of the fiscal year for which the sums were appropriated, or that remain in Department of Education accounts after that time.

[(2) As soon as possible after the beginning of any fiscal year, the Secretary shall, on the basis of a written request for a preliminary payment from any local education agency that was eligible for a payment for the preceding fiscal year on the basis of entitlements established under section 2 or 3, make such a preliminary payment—

[(A) to any agency for whom the number of children determined under section 3(a) amounts to at least 20 per centum of such agency's total average daily attendance, of 75 per centum of the amount that such agency received for such preceding fiscal year on the basis of such entitlements; and

[(B) to any other agency, of 50 per centum of the amount that such agency received for such preceding fiscal year on the basis of such entitlements.

[(3)(A) Payments of entitlements under section 3(d)(2)(D) of this Act shall be made only to local educational agencies which have, within one year of the date of enactment of this paragraph, or when local educational agencies are formed after such date of enactment, within one year of their formation, established such policies and procedures with respect to information received from Indian parents and tribes as required by this paragraph and which have made assurances to the Secretary, at such time and in such manner as shall be determined by regulation, that such policies and procedures have been established. The Secretary shall have the authority to waive this one-year limit for good cause, and in writing to the tribes to be affected.

[(B) Each local educational agency shall establish such policies and procedures as are necessary to insure that—

[(i) Indian children claimed under section 3(a) participate on an equal basis in the school program with all other children educated by the local educational agency;

[(ii) applications, evaluations, and program plans are adequately disseminated to the tribes and parents of Indian children claimed under section 3(a); and

[(iii) tribes and parents of Indian children claimed under section 3(a) are—

[(I) afforded an opportunity to present their views with respect to the application, including the opportunity to make recommendations concerning the needs of their children and the ways by which they can assist their children in realizing the benefits to be derived from the educational programs assisted under this paragraph;

[(II) actively consulted and involved in the planning and development of programs assisted under this paragraph; and

[(III) afforded a general opportunity to present their overall views on the educational program, including the operation of such programs, and the degree of parental participation allowed.

[(C)(i) Any tribe, or its designee, which has students in attendance at a local educational agency may, in its discretion and without regard to the requirements of any other provision of law, file a written complaint with the Secretary regarding any action of a local educational agency taken pursuant to, or relevant to, the requirements of subparagraph (B) of this paragraph.

[(ii) Within ten working days from receipt of the complaint, the Secretary shall—

[(I) designate a time and place for a hearing into the matters relating to the complaint at a location in close proximity to the local educational agency involved, or, if the Secretary determines there is good cause, at some other location convenient to both the tribe, or its designee, and the local educational agency;

[(II) designate a hearing examiner to conduct the hearing; and

[(III) notify the affected tribe or tribes and the local educational agency involved of the time, place, and nature of the hearing and send copies of the complaint to the local educational agency and the affected tribe or tribes.

[(iii) The hearing shall be held within thirty days of the designation of a hearing examiner and shall be open to the public. A record of the proceedings shall be established and maintained.

[(iv) The complaining tribe, or its designee, and the local educational agency shall be entitled to present evidence on matters relevant to the complaint and to make recommendations concerning the appropriate remedial actions. Each party to the hearing shall bear only its own costs in the proceeding.

[(v) Within thirty days of the completion of the hearing, the hearing examiner shall, on the basis of the record, make written findings of fact and recommendations concerning appropriate remedial actions (if any) which should be taken. The hearing examiner's findings and recommendations, along with the hearing record, shall be forwarded to the Secretary.

[(vi) Within thirty days of his receipt of the findings, recommendations, and record, the Secretary shall, on the basis of the record, make a written determination of the appropriate remedial action, if any, to be taken by the local educational agency, the schedule for completion of the remedial action, and the reasons for his decision.

[(vii) Upon completion of his final determination, the Secretary shall provide the complaining tribe, or its designee, and the local educational agency with copies of the hearing record, the hearing examiner's findings and recommendations, and the Secretary's final determination. The final determination of the Secretary shall be subject to judicial review.

[(viii) In all actions under this subparagraph, the Secretary shall have discretion to consolidate complaints involving the same tribe or local educational agency.

[(D) If the local educational agency rejects the determination of the Secretary, or if the remedy required is not undertaken within the time established and the Secretary determines that an extension of the time established will not effectively encourage the remedy required, the Secretary shall withhold payment of all moneys to which such local agency is entitled under section 3(d)(2)(D) until such time as the remedy required is undertaken, except where the complaining tribe or its designee formally requests that such funds be released to the local educational agency: Provided, That the Secretary may not withhold such moneys during the course of the school year if he determines that it would substantially disrupt the educational programs of the local educational agency.

[(E) If the local educational agency rejects the determination of the Secretary and a tribe exercises the option under section 1101(d) of the Education Amendments of 1978, to have education services provided either directly by the Bureau of Indian Affairs or by contract with that Agency, any Indian students affiliated with that tribe who wish to remain in attendance at the local educational agency against whom the complaint which led to the tribal action (under such subsection (d)) was lodged may be counted with respect to that local educational agency for the purpose of receiving funds under section 3(d)(2)(D) of this Act. In such event, funds under such section shall not be withheld pursuant to subparagraph (D) and no further complaints with respect to such students may be filed under subparagraph (C)(i).

[(F) This paragraph is based upon the special relationship between the Indian nations and the United States and nothing in it shall be deemed to relieve any State of any duty with respect to any citizens of that State.

[ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

[(c) If the sums appropriated for any fiscal year for making payments on the basis of entitlements established under sections 2, 3, and 4 for that year are not sufficient to pay in full the total amounts which the Secretary estimates all local educational agencies are entitled to receive under such sections for such year, the Secretary shall allocate such sums among local educational agencies and make payments to such agencies as follows:

[(1)(A) The Secretary shall first allocate to each local educational agency which is entitled to a payment under section 2 an amount equal to 100 per centum of the amount to which it is entitled as computed under that section for such fiscal year and to each local educational agency an amount equal to the supplemental 50 per centum of the entitlement that each child described in section 3(d)(2)(C) served by such agency is eligible to receive under section 3(d)(2)(C).

[(B) The Secretary shall then allocate to any local educational agency which is eligible under section 3(d)(2)(B) an amount equal to 100 per centum of the amount to which such agency is entitled under sections 3(a) and 3(b).

[(C) The Secretary shall reserve from the remainder of the sums appropriated for this Act (other than amounts needed for section 7) for such fiscal year—

[(i) 80 per centum for the purpose of allocating sums under paragraph (2) for entitlements determined under section 3(a); and

[(ii) 20 per centum for the purpose of allocating sums under paragraph (3) for entitlements determined under section 3(b).

[(2)(A) for the purpose of allocating sums available for section 3(a) for any fiscal year which remain after the allocation required by paragraph (1) and any allocatio[illegible]quired by sections 5(e) and 3(h) for such fiscal year, the S[illegible]etary shall determine the category to which a local educational agency belongs as follows:

[(i) Each local educational agency in which the number of children determined under section 3(a) amounts to at least 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (i).

[(ii) Each local educational agency in which the number of children determined under section 3(a) amounts to at least 15 per centum, but less than 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (ii).

[(iii) Each local educational agency in which the number of children determined under section 3(a) amounts to less than 15 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (iii).

[(B) The Secretary shall allocate the amounts described in subparagraph (A) according to the following schedule:

[(i) A first allocation shall be made as follows:

[(I) 80 per centum of entitlement to local educational agencies described in category (i);

[(II) 60 per centum of entitlement to local educational agencies described in category (ii); and

[(III) 40 per centum of entitlement to local educational agencies described in category (iii).

[(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows:

[(I) 20 per centum of entitlement to local educational agencies described in category (i);

[(II) 15 per centum of entitlement to local educational agencies described in category (ii); and

[(III) 10 per centum of entitlement to local educational agencies described in category (iii).

[(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

[(I) 25 per centum of entitlement to local educational agencies described in category (ii); and

[(II) 50 per centum of entitlement to local educational agencies described in category (iii).

[(C) For the purpose of determining the category under subparagraph (A) that is applicable to the local educational agency providing free public education to secondary school students residing on Hanscom Air Force Base, Massachusetts, the Secretary shall count children in kindergarten through grade 8 who are residing on such base as if such students are receiving a free public education from such local educational agency.

[(3)(A) For the purpose of allocating sums available for section 3(b) for any fiscal year which remain after the allocation required by paragraph (1) and any allocation required by sections 5(e) and 3(h) for such fiscal year, the Secretary shall determine the category to which a local educational agency belongs as follows:

[(i) Each local educational agency in which the number of children determined under section 3(b) amounts to at least 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (i).

[(ii) Each local educational agency in which the number of children determined under section 3(b) amounts to less than 20 per centum of the total number of children who were in average daily attendance in the schools of such agency is in category (ii).

[(B) The Secretary shall allocate the amounts described in subparagraph (A) according to the following schedule:

[(i) A first allocation shall be made as follows:

[(I) 20 per centum of entitlement to local educational agencies described in category (i); and

[(II) 10 per centum of entitlement to local educational agencies described in category (ii).

[(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows:

[(I) 30 per centum of entitlement to local educational agencies described in category (i); and

[(II) 5 per centum of entitlement to local educational agencies described in category (ii).

[(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

[(I) 50 per centum of entitlement to local educational agencies described in category (i); and

[(II) 85 per centum of entitlement to local educational agencies described in category (ii).

[(4) Whenever the additional amounts described in paragraphs (2)(A) and (3)(A) in each fiscal year are insufficient to provide the required percent of entitlement to each local educational agency under paragraph (2)(B) or paragraph (3)(B), respectively, the full amounts that local educational agencies are entitled to receive under such paragraphs shall be ratably reduced. If additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

No allocation may be made pursuant to paragraph (2) and no payment may be paid on the basis of any such allocation unless allocations are made pursuant to paragraph (1) and payments are made on the basis of such allocations.

[TREATMENT OF PAYMENTS BY THE STATES IN DETERMINING ELIGIBILITY FOR, AND THE AMOUNT OF, STATE AID

[(d)(1) Except as provided in paragraph (2), no payments may be made under this title for any fiscal year to any local educational agency in any State (A) if that State has taken into consideration payments under this title in determining—

[(i) the eligibility of any local educational agency in that State for State aid for free public education of children; or

[(ii) the amount of such aid with respect to any such agency;

during that fiscal year or the preceding fiscal year, or (B) if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such agency would receive if such agency were not so eligible.

[(2)(A) Notwithstanding paragraph (1) of this subsection, if a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

[(i) financial resources available to local educational agencies in that State; and

[(ii) financial need of such agencies for the provision of free public education for children served by such agency, provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

The increase in payments described in sections 3(d)(2)(B), 3(d)(2)(C), 3(d)(2)(D), and 3(d)(3)(B)(ii) shall not be taken into consideration by the State for the purpose of this subparagraph. Whenever a State educational agency or local educational agency will be adversely affected by the operation of this subsection, such agency shall be afforded notice and an opportunity for a hearing prior to the reduction or termination of payments pursuant to this subsection.

[(B) The terms "State aid" and "equalize expenditures" as used in this subsection shall be defined by the Secretary by regulation, after consultation with State and local educational agencies affected by this subsection, provided that the term "equalize expenditures" shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.

[(C)(i) If a State desires to take payments under this section into consideration as provided in this paragraph for any fiscal year, that State shall, not later than sixty days prior to the beginning of such fiscal year, submit notice to the Secretary of its intention to do so. Such notice shall be in such form and be accompanied by such information as to enable the Secretary to determine the extent to which the program of State aid of that State is consistent with the provisions of subparagraph (A). In addition, such notice shall be accompanied by such evidence as the Secretary finds necessary that each local educational agency in that State has been given notice of the intention of the State. If the Secretary determines that the program of State aid of a State submitting notice under this subparagraph is consistent with the provisions of subparagraph (A), the Secretary shall certify such determination to that State.

[(ii) Prior to certifying any determination under division (i) for any State for any fiscal year, the Secretary shall give the local educational agencies in that State an opportunity for a hearing at which such agencies may present their views with respect to the consistency of the State aid program of that State with the provisions of subparagraph (A).

[(iii) The Secretary shall not finally deny to any State for any fiscal year certification of a determination under division (i) without first giving that State an opportunity for a hearing.

[(D) Any State whose program of State aid was certified by the Secretary under subparagraph (C) for fiscal year 1988, but whose program was determined by the Secretary under subparagraph (C)(i) not to meet the requirements of subparagraph (A) for one or more of the fiscal years 1989 through 1992—

[(i) shall be deemed to have met the requirements of subparagraph (A) for each of the fiscal years 1989 through 1992; and

[(ii) shall not, beginning with fiscal year 1993, and notwithstanding any other provision of this paragraph, take payments under this title into consideration as provided under subparagraph (A) for any fiscal year unless the Secretary has previously certified such State's program for such fiscal year.

[HOLD HARMLESS; DISCRETIONARY ALLOCATIONS

[(e)(1)(A) For any fiscal year after September 30, 1988, the Secretary shall allocate, to any local educational agency eligible for a payment under section 3(a), not less than the product of—

[(i) the number of children in average daily attendance for the fiscal year for which the determination is made under section 3(a); and

[(ii)(I) if such agency received a payment under section 3(a) in fiscal year 1987, the per pupil amount paid to that agency in fiscal year 1987; or

[(II) if such agency did not receive such a payment in fiscal year 1987, the per pupil amount such agency would have been paid in fiscal year 1987 if such agency had been eligible for payments under section 3(a) and the average daily attendance for such agency for fiscal year 1987 had been equal to the average daily attendance for such agency for the first fiscal year succeeding fiscal year 1988 for which a determination is made under section 3(a).

[(B)(i) For any fiscal year beginning after September 30, 1990, the Secretary shall first allocate to any local educational agency that is, and in fiscal year 1987 would have been, described in subsection (c)(3)(A)(i) and that received a payment under section 3(b) for fiscal year 1987, an amount that is not less than the product of—

[(I) 100 percent of the per pupil amount paid to such agency under section 3(b) for fiscal year 1987; and

[(II) the number of children described in section 3(b) in average daily attendance in the fiscal year for which the determination under section 3(b) is made, not to exceed the number of such eligible children claimed by such agency in fiscal year 1987.

[(ii) If the amount appropriated for section 3(b) in any fiscal year exceeds the amount appropriated for such section for fiscal year 1990, the Secretary shall use such excess funds—

[(I) first, to allocate to any such agency, for such children that exceed the number of such eligible children claimed by the agency in fiscal year 1987, the amount described in subsection (c)(3)(B)(i)(I); and

[(II) second, to allocate remaining funds in accordance with subsection (c)(3)(B).

[(C) The provisions of subparagraphs (A) and (B) of this paragraph shall not apply to any local educational agency for which the factor in the determination of the local contribution rate described in section 3(d)(3)(A)(i) in the year for which the determination is made is less than the amount for such factor for fiscal year 1987.

[(D) For any fiscal year after September 30, 1991, the Secretary is authorized to modify the per pupil amount described in subparagraph (A) of this paragraph, in any case in which, in the fiscal year for which the determination is made, a local educational agency is described under a different clause of section 5(c)(2)(A) than such agency was in fiscal year 1987.

[(E) The provisions of subparagraph (B) of this paragraph shall not apply to any local educational agency which, in the fiscal year for which the determination is made, is not a local educational agency described in section 5(c)(3)(A)(i).

[(2) If sums appropriated for any fiscal year for making payments under this section are not sufficient to pay in full the amount to which each local educational agency is entitled under the previous paragraph, such amounts shall be ratably reduced.

[USE OF FUNDS PAID WITH RESPECT TO ENTITLEMENTS INCREASED UNDER SECTION 3(d)(2)(c)

[(f) The amount of the payment to any local educational agency for any fiscal year which is attributable to a determination of children for increased payments under subparagraph (C) of section 3(d)(2) shall be used by such agency for special educational programs designed to meet the special educational needs of children with respect to whom such determination is made.

[(g) Each local educational agency which is adversely affected or aggrieved by any action of the Secretary under this title shall be entitled to a hearing on, and review of, such action in the same manner as if such agency were a person under the provisions of chapters 5 and 7 of title 5, United States Code.

[(h) If any legislation enacted after March 31, 1983, affects the determination of amounts of payments made on the basis of entitlements established under sections 2, 3, and 4 by placing any additional restriction on payments based on the concentration of children counted under subsection (a) or (b) of section 3 in the schools of a local educational agency, such restriction shall be applied, in the case of any State (other than a territory or possession of the United States) within which there is only one local educational agency, by treating each administrative school district within such State as a local educational agency (solely for the purpose of computing the amount of such payments). Treating such an administrative school district as a local educational agency under the preceding sentence shall not result, during fiscal year 1984, 1985, or 1986, in an increase of more than 10 per centum in the amount of funds paid to such State above the amount which would otherwise be paid to such State for such fiscal year.

[CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

[Sec. 6. (a) In the case of children who reside on Federal property—

[(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

[(2) if it is the judgment of the Secretary, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Secretary shall make such arrangements (other than arrangements with respect to the acquisition of land, the erection of facilities, interest, or debt service) as may be necessary to provide free public education for such children. Such arrangements to provide free public education may also be made for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Secretary, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable, the local educational agency, or the head of the Federal department or agency, with which any arrangement is made under this section shall take such action as may be necessary to insure that the education provided pursuant to such arrangement is comparable to free public education provided for children in comparable communities in the State, or, in the case of education provided under this section outside the continental United States, Alaska, and Hawaii, comparable to free public education provided for children in the District of Columbia. For purposes of providing such comparable education, all substantive rights, protections and procedural safeguards (including due process procedures), available to children with disabilities age 3 to 5, inclusive, under part B of the Individuals with Disabilities Education Act and to infants and toddlers under part H of such Act shall be applicable to such comparable education by academic year 1992–1993, and all substantive rights, protections and procedural safeguards (including due process procedures), available under part B of such Act shall be applicable to such comparable education for all other eligible children on the date of enactment of the Individuals with Disabilities Education Act Amendments of 1991. For the purpose of providing such comparable education, personnel may be employed and the compensation, tenure, leave, hours of work, and other incidents of the employment relationship may be fixed without regard to the Civil Service Act and rules (5 U.S.C. 631 et seq.) and the following: (1) the Classification Act of 1949, as amended (5 U.S.C. 1071 et seq.); (2) the Annual and Sick Leave Act of 1951, as amended (5 U.S.C.

2061 et seq.); (3) the Federal Employees' Pay Act of 1945, as amended (5 U.S.C. 901 et seq.); (4) the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 et seq.); and (5) the Performance Rating Act of 1950, as amended (5 U.S.C. 2001 et seq.). Personnel provided for under this subsection outside of the continental United States, Alaska, and Hawaii, shall receive such compensation, tenure, leave, hours of work, and other incidents of employment on the same basis as provided for similar positions in the public schools of the District of Columbia. In any case where education was being provided on January 1, 1955, or thereafter under an arrangement made under this subsection for children residing on an Army, Navy (including the Marine Corps), or Air Force installation, it shall be presumed, for the purposes of this subsection, that no local educational agency is able to provide suitable free public education for the children residing on such installation, until the Secretary and the Secretary of the military department concerned jointly determine, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.

[(b) In any case in which the Secretary makes such arrangements for the provision of free public education in facilities situated on Federal property, he may also make arrangements for providing free public education in such facilities for children residing in any area adjacent to such property with a parent who, during some portion of the fiscal year in which such education is provided, was employed on such property, but only if the Secretary determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this title, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) in any case where in the judgment of the Secretary the need for the provision of such education will not be temporary in duration, that the local educational agency of the school district in which such children reside, or the State educational agency, or both, will make reasonable tuition payments to the Secretary for the education of such children. Such payments may be made either directly or through deductions from amounts to which the local educational agency is entitled under this title, or both, as may be agreed upon between such agency and the Secretary. Any amounts paid to the Secretary by a State or local educational agency pursuant to this section shall be covered into the Treasury as miscellaneous receipts.

[(c) In any case in which the Secretary makes arrangements under this section for the provision of free public education in facilities situated on Federal property in Puerto Rico, Wake Island, Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands, he may also make arrangements for providing free public education in such facilities for children residing with a parent employed by the United States, in a grade, position, or classification subject by policy and practice to transfer or reassignment to areas where English is the language of instruction in the schools normally attended by children of Federal employees. Dependents of excepted service professional employees of the schools shall be eligible to attend the schools. In any case where education is being provided under an arrangement made under this subsection, it shall be presumed that no local educational agency is able to provide suitable free public education for the children of eligible parents employed by the United States until the Secretary determines, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.

[(d) The Secretary may make an arrangement under this section only with a local educational agency or with the head of a Federal department or agency administering Federal property on which children reside who are to be provided education pursuant to such arrangement or, in the case of children to whom the second sentence of subsection (a) applies, with the head of any Federal department or agency having jurisdiction over the parents of some or all of such children. Except where the Secretary makes arrangements pursuant to the second sentence of subsection (a), arrangements may be made under his section only for the provision of education in facilities of a local educational agency or in facilities situated on Federal property. The Secretary shall ensure that funds provided under such arrangement or arrangements are expended in an efficient manner, and shall require an accounting of funds by such agency at least on an annual basis. The Secretary shall further be provided with data relating to the quality and type of education provided to such children under such arrangement or arrangements.

[(e) To the maximum extent practicable, the Secretary shall limit the total payments made pursuant to any such arrangement for educating children within the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the per pupil cost of free public education provided for children in comparable communities in the State. The Secretary shall limit the total payments made pursuant to any arrangement for educating children outside the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the amount he determines to be necessary to provide education comparable to the free public education provided for children in the District of Columbia.

[(f) If no tax revenues of a State or of any political subdivision of the State may be expended for the free public education of children who reside on any Federal property within the State, or if no tax revenues of a State are allocated for the free public education of such children, then the property on which such children reside shall not be considered Federal property for the purposes of sections 3 and 4 of this Act. If a local educational agency refuses for any other reason to provide in any fiscal year free public education for children who reside on Federal property which is within the school district of that agency or which, in the determination of the Secretary, would be within that school district if it were not Federal property, there shall be deducted from any amount to which the local educational agency is otherwise entitled for that year under section 3 or 4 an amount equal to (1) the amount (if any) by which the cost to the Secretary of providing free public education for that year for each such child exceeds the local contribution rate of that agency for that year, multiplied by (2) the number of such children.

[(g) The Secretary shall ensure the establishment of an elective school board in schools assisted under this section. Such school board shall be composed of a minimum of three members, elected by the parents of students in attendance at such school. The Secretary shall, by regulation, establish procedures for carrying out such school board elections as provided in this subsection.

[(h) A school board established pursuant to subsection (g) shall be empowered to oversee school expenditures and operations, subject to audit procedures established by the Secretary, and other provisions of this section.

[(i) Notwithstanding any other provision of law, a local educational agency receiving funds under section 3 may also receive funds under section 6.

[ASSISTANCE FOR CURRENT SCHOOL EXPENDITURES IN CASES OF CERTAIN DISASTERS

[SEC. 7. (a) In any case in which—

[(1) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which after August 30, 1965, and prior to October 1, 1993, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to sections 102(2) and 301 of the Disaster Relief Act of 1974, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government; and

[(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Secretary determines with respect to such agency that—

[(3) such agency is utilizing or will utilize all State and other financial assistance available to it for the purpose of meeting the cost of providing free public education for the children attending the schools of such agency, but as a result of such disaster it is unable to obtain sufficient funds for such purpose and requires an amount of additional assistance equal to at least $10,000 or 5 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, and

[(4) in the case of any such major disaster to the extent that the operation of private elementary and secondary schools in the school attendance area of such local educational agency has been disrupted or impaired by such disaster, such local educational agency has made provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate: Provided, That nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction,

the Secretary may provide to such agency the additional assistance necessary to provide free public education to the children attending the schools of such agency, upon such terms and in such amounts (subject to the provisions of this section) as the Secretary may consider to be in the public interest. Such additional assistance may be provided for a period not greater than a five-fiscal-year period beginning with the fiscal year in which it is determined pursuant to clause (1) of this subsection that such agency suffered a disaster. The amount so provided for any fiscal year shall not exceed the amount which the Secretary determines to be necessary to enable such agency, with the State, local, and other Federal funds available to it for such purpose, to provide a level of education equivalent to that maintained in the schools of such agency prior to the occurrence of such disaster, taking into account the additional costs reasonably necessary to carry out the provisions of clause (4) of this subection. The amount, if any, so provided for the second, third, and fourth fiscal years following the fiscal year in which it is so determined that such agency has suffered a disaster shall not exceed 75 per centum, 50 per centum, and 25 per centum, respectively, of the amount so provided for the first fiscal year following such determination.

[(b) In addition to and apart from the funds provided under subsection (a), the Secretary is authorized to provide to such agency an amount which he determines to be necessary to replace instructional and maintenance supplies, equipment, and materials (including textbooks) destroyed or seriously damaged as a result of such disaster, to make minor repairs, and to lease or otherwise provide (other than by acquisition of land or erection of facilities) school and cafeteria facilities needed to replace temporarily such facilities which have been made unavailable as a result of the disaster.

[(c) There is hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Secretary is authorized to expend (without regard for subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds appropriated to the Office of Education and at that time available to the Secretary, such sums as may be necessary for providing immediate assistance under this section. Expenditures pursuant to the preceding sentence shall—

[(1) be reported by the Secretary to the Committees on Appropriations and Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Human Resources of the Senate within thirty days of the expenditure;

[(2) be reimbursed from the appropriations authorized by the first sentence of this subsection.

The report required to the Committees on Appropriations by clause (1) in the preceding sentence shall constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).

[(d) No payment may be made to any local educational agency under this section except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Secretary in accordance with the regulations prescribed by him. In determining the order in which such applications shall be approved, the Secretary shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications. The Secretary shall complete action of approval or disapproval of an application within 90 days of the filing of an application.

[(e) Amounts paid by the Secretary to local educational agencies under this section may be paid in advance or by way of reimbursement and in such installments as the Secretary may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

[(f) Funds available for this section for any fiscal year shall also be available for section 16 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress).

[TITLE IV—GENERAL PROVISIONS

[ADMINISTRATION

[SEC. 401.

[(b) The Secretary shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

[(c) The Secretary shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

[USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

[SEC. 402. (a) In carrying out his functions under this Act, the Secretary is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

[(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under title I, shall to the maximum extent practicable comply with requests of the Secretary for information he may require in carrying out the purposes of title I.

[(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as title I, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of title I, be transferred to the Secretary for use by him in carrying out such purposes.

[(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the availability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., sec. 452).

[DEFINITIONS

[SEC. 403. For the purposes of this Act—

[(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Such term includes (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes, which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this Act, (C) any low-rent housing (whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, (D) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State and (E) any property owned by a foreign government or by an international organization which by reason of such ownership is not subject to taxation by the State in which it is located or a subdivision thereof. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal service. Real property which qualifies as Federal property under clause (A) of this paragraph shall not lose such qualification because it is used for a low-rent housing project.

[(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

[(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

[(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

[(5) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under chapter 1 or 2 of title I of the Elementary and Secondary Education Act of 1965.

[(6) For purposes of title I, the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public elementary and secondary education through grade 12 in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education. Such term does not include any agency or school authority that the Secretary determines, on a case-by-case basis—

[(A) was constituted or reconstituted primarily for the purpose of receiving assistance under this Act or increasing the amount of that assistance;

[(B) is not constituted or reconstituted for legitimate educational purposes; or

[(C) was previously part of a school district upon being constituted or reconstituted.

For the purpose of carrying out the provisions of section 3(a), such term includes any agency or school authority that has had an arrangement with a nonadjacent school district for the education of children of persons who reside or work on an installation of the Department of Defense for more than 25 years, but only if the Secretary determines that there is no single school district adjacent to the school district in which the installation is located that is capable of educating all such children.

[(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

[(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, the Northern Mariana Islands, or the Virgin Islands.

[(9) The term "Secretary" means the Secretary of Education.

[(10) Average daily attendance shall be determined in accordance with State law, except that (A) the average daily attendance of children with respect to whom payment is to be made under section 3 or 4 of this Act shall be determined in accordance with regulations of the Secretary, and (B) notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (i) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (ii) not to be attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract. A child shall, for the purposes of section 3, be deemed to be in attendance at a school of a local educational agency if such child is determined to be federally connected under clause (1) or (2) of section 3(a) or under clause (1), (2), or (3) of section 3(b) for any fiscal year and if such child is attending a school other than a school of such agency because such child is disabled (as defined in section 602(1) of the Education of the Handicapped Act) and if such agency makes a tuition payment on behalf of such child to such school for such fiscal year. Regulations promulgated by the Secretary in accordance with clause (A) of this paragraph shall permit the conversion of average daily membership to average daily attendance for local educational agencies in States which reimburse local educational agencies based upon average daily membership and which do not require local educational agencies to keep records based on average daily attendance.

[(11) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

[(12) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

[(13) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

[(14) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.]

ADULT EDUCATION ACT

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TITLE III—ADULT EDUCATION PROGRAMS

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PART B—STATE PROGRAMS

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Subpart 4—Planning and Applications

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SEC. 342. FOUR-YEAR STATE PLAN.

(a) * * *

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(c) COMPONENTS OF STATE PLAN.—Consistent with the assessments described in subsection (b) each such plan shall—

(1) * * *

* * * * * * *

(11) describe the methods proposed for the joint planning and coordination of programs carried out under this title with those conducted under applicable Federal and State programs, including the Carl D. Perkins Vocational Education Act of 1963, *Even Start,* the Job Training Partnership Act, the Rehabilitation Act of 1973, the Education of the Handicapped Act, the Immigration Reform and Control Act of 1986, the Higher Education Act of 1965, and the Domestic Volunteer Service Act, to assure maximum use of funds under these Acts and to avoid duplication of services;

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PART D—NATIONAL PROGRAMS

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SEC. 384. NATIONAL RESEARCH ACTIVITIES.

(a) * * *

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(n) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated for purposes of operating the Institute established by subsection (c) $15,000,000 for each of the fiscal years 1992, 1993, 1994, **[**and 1995**]** *1995, and 1996.*

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EDUCATION COUNCIL ACT OF 1991

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SEC. 201. FINDINGS.

The Congress finds that—

(1) the United States faces a crisis in writing in schools and in the workplace;

[(2) only 25 percent of 11th grade students have adequate analytical writing skills;]

(2) the writing problem has been magnified by the rapidly changing student populations in the Nation's schools and the growing number of students who are at risk because of limited-English proficiency;

* * * * * * *

(6) *writing and reading are both fundamental to learning, yet writing has been historically neglected in the schools and colleges, and* most teachers in the United States elementary schools, secondary schools, and colleges[,] have not been trained to teach writing;

* * * * * * *

[(10) the National Writing Project has become a model for programs in other academic fields;]

(10) the National Writing Project has become a model for programs to improve teaching in such other fields as mathematics, science, history, literature, performing arts, and foreign languages;

* * * * * * *

[(15) each year approximately 85,000 teachers voluntarily seek training through word of mouth endorsements from other teachers in National Writing Project intensive summer workshops and school-year inservice programs through one of the 141 regional sites located in 43 States, and in 4 sites that serve United States teachers teaching overseas;]

(15) each year over 100,000 teachers voluntarily seek training in National Writing Project intensive summer institutes and workshops and school-year in-service programs through one of the 154 regional sites located in 45 States, the Commonwealth of Puerto Rico, and in 4 sites that serve United States teachers teaching in United States dependent and independent schools;

* * * * * * *

[(17) 13 National Writing Project sites in 8 different States have been discontinued in 1988 due to lack of funding; and

[(18)] *(17)* private foundation resources, although generous in the past, are inadequate to fund all of the National Writing Project sites needed and the future of the program is in jeopardy without secure financial support[.]*;*

(18) independent evaluation studies have found the National Writing Project to be highly cost effective compared to other professional development programs for teachers; and

(19) during 1991, the first year of Federal support for the National Writing Project, the National Writing Project matched the $1,951,975 in Federal support with $9,485,504 in matching funds from State, local, and other sources.

SEC. 202. NATIONAL WRITING PROJECT.

(a) * * *

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(d) Federal Share.—

(1) * * *

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(3) Maximum.—[(A)] The Federal share of the costs of teacher training programs conducted pursuant to subsection (a) may not exceed $40,000 for any one contractor, or $200,000 for a statewide program administered by any one contractor in at least 5 sites throughout the State.

[(B) The grantee under section 202, or any school or institution of higher education that receives funds under this section shall not spend more than 10 percent of the Federal funds it receives under this section for administrative costs.

[(4) Special rule.—For the purposes of this subsection, the costs of teacher programs do not include the administrative costs, publication cost, or the cost of providing technical assistance to the grantee.]

(e) Classroom Teacher Grants.—

(1) In general.—The National Writing Project may reserve an amount not to exceed 5 percent of the amount appropriated pursuant to the authority of this section to make grants, on a competitive basis, to elementary and secondary school teachers [to enable] *to pay the Federal share of the cost of enabling* such teachers to—

(A) conduct classroom research;

*　　*　　*　　*　　*　　*　　*

(4) Federal share.—For the purpose of this subsection the term "Federal share" means, with respect to the costs of activities assisted under this subsection, 50 percent of such costs to the elementary or secondary school teacher.

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[(g) Evaluation.—The Secretary shall reserve not more than $150,000 from the total combined amount appropriated pursuant to the authority of this section for fiscal years 1991, 1992, and 1993 to conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this Act. Such evaluation shall specify the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section for administrative costs. The results of such evaluation shall be made available to the appropriate committees of the Congress.

[(h) Research and Development Activities.—

[(1) Grants authorized.—From amounts available to carry out the provisions of this subsection, the Secretary, through the Office of Educational Research and Improvement, shall make grants to individuals and institutions of higher education to conduct research activities involving the teaching of writing.

[(2) Priority.—(A) In awarding grants pursuant to paragraph (1), the Secretary shall give priority to junior researchers.

[(B) The Secretary shall award not less than 25 percent of the funds received pursuant to subsection (i)(2) to junior researchers.

[(C) The Secretary shall make available to the National Writing Project and other national information dissemination networks the findings of the research conducted pursuant to the authority of paragraph (1).]

(g) EVALUATION.—

(1) IN GENERAL.—The Secretary shall conduct an independent evaluation of the teacher training programs assisted under this section. Such evaluation shall specify the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section. The results of such evaluation shall be made available to the appropriate committees of the Congress.

(2) FUNDING LIMITATION.—The Secretary shall reserve not more than $150,000 from the total amount appropriated pursuant to the authority of subsection (i) for fiscal year 1994 and the 4 succeeding fiscal years to conduct the evaluation described in paragraph (1).

(h) RESEARCH AND DEVELOPMENT ACTIVITIES.—

(1) GRANTS AUTHORIZED.—From amounts appropriated pursuant to the authority of subsection (i)(2), the National Writing Project shall make grants to individuals and institutions of higher education that either have participated in a National Writing Project institute or are institutions designated as National Writing Project sites, to enable such individuals and institutions to conduct research activities involving the teaching of writing.

(2) APPLICATION REVIEW.—The National Writing Project shall establish and operate a National Review Board that shall consist of—

(A) leaders in the field of research in writing; and

(B) such other individuals as the National Writing Project deems necessary.

(3) DUTIES.—The National Review Board shall—

(A) review all applications for assistance under this subsection; and

(B) recommend applications for assistance under this subsection for funding by the National Writing Project.

(4) JUNIOR RESEARCHER PRIORITY AND FUNDING RULE.—(A) In awarding grants pursuant to paragraph (1), the National Writing Project shall give priority to awarding such grants to junior researchers.

(B) The National Writing Project shall award not less than 25 percent of the funds received pursuant to subsection (i)(2) to junior researchers.

(5) AVAILABILITY OF FINDINGS.—The National Writing Project shall make available to the Secretary and to the network of National Writing Project sites the findings of the research conducted pursuant to the authority of paragraph (1).

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for the grant to the National Writing Project, $10,000,000 for fis-

cal year [1991] *1994* and such sums as may be necessary for [fiscal years 1992 and 1993] *each of the 4 succeeding fiscal years* to carry out the provisions of this section.

[(2) RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated $500,000 for fiscal year 1991 to carry out the provisions of subsection (h).]

(2) RESEARCH AND DEVELOPMENT.—In each fiscal year in which the amount appropriated pursuant to the authority of paragraph (1) equals or exceeds $10,000,000, there are authorized to be appropriated $500,000 to carry out the provisions of subsection (h).

* * * * * * *

MINORITY VIEWS

As the Education and Labor Committee began the process of reauthorizing the Elementary and Secondary Education Act (ESEA), Committee Republicans set their sights on a bipartisan bill that would define the Federal government's role in reforming kindergarter through high school education for the rest of this century. While our Committee made some solid progress with this bill, it is our sad duty to report that we do not yet feel that this bill is deserving of bipartisan support.

We continue to hold out hope, however, that as this bill works its way through the legislative process, we can develop a bill that is worthy of bipartisan support. If our country is to achieve the ambitious national education goals that were developed by former President Bush and the nation's governors, Congress must produce a truly bipartisan bill that is reflective of a national consensus on education reform.

QUALITY AND FLEXIBILITY

Our policy goals for the reauthorization centered around these two overriding priorities: guaranteeing high quality programs for disadvantaged children and granting schools the flexibility necessary to provide a high quality education to the students they serve. We chose these goals because current programs for disadvantaged children are failing to move them to the same levels of academic achievement that we expect of other students. In our view, one of the major reasons for this failure is Federal red tape that thwarts the ingenuity of local educators.

To strengthen program quality, all ESEA programs must be improved by fostering local innovation, and protecting parental rights. Local schools need programs that are less directive and more supportive of the genius of our local communities. Federal programs must allow local school districts to do what is best for their students based on their firsthand knowledge of the educational needs of the students they serve. We need to encourage creativity in schools and allow them to develop their own innovative education reform programs.

Quality improvements must go hand in hand with allowing schools greater flexibility in the use of Federal funds in exchange for increased student achievement (learning). Schools do not need dozens of new programs, more paperwork, and new mandates. They need a limited number of quality Federal programs that give schools the ability to focus on the urgent needs of their students.

While this bill makes some notable improvements, it fails to put enough emphasis on quality and improvement. Instead, it creates dozens of new categorical programs, limits flexibility and creates even more red tape and paperwork.

POSITIVE ASPECTS OF H.R. 6

A NEW CHAPTER 2 PROGRAM

We are very pleased that the Committee accepted a Republican amendment to retain a refocused but flexible Chapter 2 program. Throughout our hearings across Congressional districts, principals, school administrators, and teachers testified about the importance of retaining a flexible Chapter 2 program. Our amendment restored Chapter 2 and refocused it on education reform and achievement of the National Education Goals. Funds under this section may be used for technology, library services materials, assessments and the development of instructional and educational materials, as long as they are tied to overall school reform efforts.

This section supports, and does not replace, the professional development activities provided under the new revised Eisenhower Program. In fact, we believe this newly revitalized Chapter 2 program provides schools with needed flexibility to support the professional development of their teachers.

We agree that professional development is important to school reform, and is necessary to achieve success in every education reform effort. However, education reform is more than just professional development. There are more than 15,000 school districts throughout the United States and they are at various points in their education reform efforts—thus, their needs vary immensely. It is therefore essential that local educators have the flexibility to use limited Federal resources to meet their individual needs to implement school reform at their school.

As our States consider participation in Goals 2000, many communities will find themselves without the resources to work toward the goals established as a part of their State reform plan. Coupled with professional development, this revised Chapter 2 program can help resource-poor communities work toward true education reform. Local school districts need the flexible funding provided through our revised Chapter 2.

Our new Chapter 2 proposal also permits the development of community learning centers, which strive to help schools become the center of their communities. Under this proposal, schools are encouraged to reinvent themselves to serve individuals of all ages, including the very young and our nation's senior citizens. For example, schools could coordinate services to assist children and their families raise academic achievement; they could operate adult education classes all year round; focus on nutritional programs; offer literacy programs; and, schools may choose to host activities for senior citizens, and open their libraries for the neighborhood to enjoy. This proposal encourages local ingenuity, and strengthens the role communities play in the everyday life of the local schools.

A STRENGTHENED TITLE I FUNDING FORMULA

We also support the Title I formula offered by Mr. Petri and Mr. Kildee which we believe is fair and equitable to all regions of the country. This proposal ensures that disadvantaged children, both in urban and rural areas, will continue to receive the Federal assistance they need.

The Kildee-Petri formula recognizes that Title I funds should follow the children they are intended to serve, and that funding shifts due to updated census counts will occur. With this in mind, the Kildee-Petri formula was designed around two basic principles. First, schools serving eligible children should not lose funding, nor decrease the level of services provided, due to any change made in the formula itself; and second, radical shifts in funding, which could prove devastating to functioning local programs, must be avoided. In addition, the Kildee-Petri formula attempts to increase the targeting of new Title I funds, without unfairly disadvantaging children due to the region of the country in which they live.

The Kildee-Petri consensus formula consists of two parts. The first part, Phase I, is based on current law. Under this consensus formula, appropriations for Title I up to the current level (FY 1994) would be distributed as Phase 1 grants. These grants would go out as they currently do, both as basic and concentration grants. However, targeting would be increased by calculating these grants at the local education agency level rather than by county as is currently the case.

In effect, this means that disadvantaged children living in relatively affluent counties will receive the Federal assistance that they deserve. The 85 percent declining hold harmless provision from current law is maintained, reducing the potential for drastic funding shifts, while still allowing these funds to be shifted to regions of the country where they are most needed. Finally, by updating the poverty estimates used for the calculation of both basic and concentration grants biennially, as opposed to decennially as is currently the case, drastic funding shifts such as those being faced this year are avoided, and federal dollars are more quickly moved to areas of the country facing the greatest need.

In an effort to more closely target additional appropriations without eroding the level of services currently provided under the first part of the formula (phase 1), the second part of the formula, Phase 2, will be used to distribute new appropriations over and above the Fiscal Year 1994 level. These grants will be calculated in a similar fashion to the current basic grants, but will use a weighted pupil factor which is based upon the percentage of families living in poverty in the local educational agency in which the child lives.

All disadvantaged children will get a portion of the increased appropriations, but those living in areas with high concentrations of poverty will get slightly more. As with the first part of the formula, grants will be calculated by LEA rather than by county, an 85 percent declining hold harmless will be maintained, and poverty estimates will be updated every two years.

CHARTER SCHOOLS

Another provision which we support is the inclusion of charter schools. The Committee adopted an amendment that would authorize the Secretary of Education to make competitive grants for the planning and start-up of charter schools in local communities. Charter schools are public schools in which teachers and principals are empowered to try innovative new methods to better meet the needs of students, particularly students who are not succeeding in the current structure.

In exchange for the waiver of some statutes and regulations which often stifle public education, charter school administrators agree to ensure that their students learn to high standards. These innovative "break the mold" schools underscore our emphasis on flexibility, and will give local educators the opportunity to exercise the genius which is the greatest strength of our elementary and secondary education system.

IMPROVEMENTS THAT SHOULD BE MADE TO H.R. 6

While we applaud the adoption of a flexible Chapter 2 program, a consensus Title I funding formula, and Charter Schools, we cannot support this bill in its current form. The bill imposes a new Federal mandate called "opportunity to learn standards" that imposes enormous burdens on States, local educational agencies, and schools and contradicts our nation's history of local control of education. H.R. 6 also creates more than a dozen new unnecessary categorical programs that add up to more than one billion dollars of additional authorizations that, if funded, will attract needed dollars away from more worthy programs. Finally, this bill failed to include a Republican initiative on public school choice, permits the use of Federal elementary and secondary education dollars to pay for family planning and health reproductive services in our nation's schools, and failed to make much needed improvements in the Drug Free Schools and Communities title.

OPPORTUNITY TO LEARN STANDARDS

This is a repeat of the Goals 200 debate this Committee held earlier this Congress on opportunity to learn standards. Since that initial debate, our view has remained steadfast: opportunity to learn standards represent a failed policy that is based upon "inputs" into the education system instead of focusing on improving student learning. Despite our strong opposition, opportunity to learn standards continue to be the most contentious issue in both H.R. 1804, the "Goals 2000: Educate America Act," and H.R. 6.

However, there are some very major differences between the two bills. First of all, in H.R. 1804, the opportunity to learn standards are voluntary and very broad. In addition, H.R. 1804 proclaims that no State shall be required to obtain certification of standards or assessments, including opportunity to learn standards, as a condition of participating in any Federal education program.

Finally, H.R. 1804 is a small program with an appropriation of only $105 million—if it is ever signed into law. States clearly do not have to participate in this program if they disagree with its opportunity to learn standards provisions, as this is a relatively small amount of money which they do not currently receive.

These provisions in H.R. 6 are clearly much different and much more threatening to State and local education officials. In H.R. 6, opportunity to learn standards are not voluntary, nor are they broad. In fact, they are very specific and they give new meaning to the term "micro-management by the Federal government." If this amendment were to become law, States, local education agencies, and schools would have to describe these specific criteria:

The quality and availability of curricula, instructional materials and technologies;

The capability of teachers to provide high quality instruction;

The extent to which teachers, principals, and administrators have ready and continuing access to professional development;

The extent to which curriculum, instructional practices, and assessments are aligned to content standards;

The extent to which school facilities provide a safe and secure environment and have the requisite libraries, laboratories, and other resources necessary to provide students an opportunity to learn;

The extent to which schools do not discriminate based on gender in policies, curricula, and instructional practices;

The capability of LEAs and schools to address the comprehensive needs of Title I children, including schoolwide and targeted assistance programs;

And, such other factors the State may deem appropriate.

Unlike H.R. 1804, this provision mandates States and local school systems to set standards and issue annual reports on everything from how many books a school has in its library to how much training teachers are to receive. It could force more school buildings to be built and class sizes to be reduced, both of which could lead poor school districts to spend millions of scarce local dollars on projects they can ill afford. Yet, this bill fails to provide any funding to develop these standards or issue reports, and it does not address the question of how these standards are supposed to be met once they are set.

One other major difference between these two bills: if the Secretary of Education does not agree with the overall opportunity to learn standards a State has developed for Title I students, or a State refuses to submit these standards for Federal review, he may withhold Title I funds. Unlike Goals 2000, with its relatively meager appropriation, Title I has an appropriation of almost $7 billion; many States receive hundreds of millions of Title I dollars that are targeted at the very poorest schools that need the money most. These are the same schools whose funding will be revoked if the Federal Government refuses to approve a State's opportunity to learn standards.

Despite the fact that the Federal government provides less than 6% of all money spent on education, this one amendment could involve the U.S. Department of Education in such local decisions as curriculum quality and resource allocations. The Secretary would be able to issue regulations regarding development of these standards, which could impose additional burdens on local school officials. These Federal decisions will also likely have an enormous impact on tax policy at the State and local level.

What does all this mean? No one really knows. Each of these standards are so broad and ill-defined that they will be open to court challenge at every turn. Every parent whose child does not do well in school may feel empowered to go to court under the claim that their child was denied an "opportunity to learn."

In the end, "opportunity to learn standards" will likely send schools across the country scurrying off to meet these Federal standards when we know from years of research that providing a child with an opportunity to learn is far more complicated than equalizing school resources. If this provision becomes law, everyone involved in determining education policy will be forced into an endless bureaucratic debate about the credentials of school personnel and counting pieces of chalk and school supplies. Likely to be lost in this never-ending debate about "inputs" is how to help children learn what they need to know to be productive citizens. That is hardly a way to help poor schools provide a better education for their children.

TOO MANY CATEGORICAL PROGRAMS

The bill adds over $1 billion in unnecessary program authorizations. At the beginning of this process last year, the Clinton Administration, Democrats, and Republicans agreed to focus scarce Federal dollars on Title I and other major programs to educate disadvantaged children. We hoped to eliminate or consolidate numerous categorical programs and use the savings to create better education opportunities for disadvantaged children.

Many of the programs added at Committee markup—like education for Native Hawaiians, teacher training programs for the U.S. territories, and special grant programs for both urban and rural schools—address issues of concern to specific constituencies rather than broad, national education concerns. Others expand the Federal government's reach to education issues that have traditionally been addressed at the local level—such as a $30 million school finance equalization technical assistance program and a $200 million program to allow the U.S. Department of Education to directly make loans to public school systems that have a difficult time raising local funds for construction expenses.

During Committee markup, Democrats failed to eliminate all but one of the programs that were eliminated in the Clinton budget, and included many new programs that were not included in President Clinton's reauthorization proposal. If funded, these new programs will dilute scarce dollars targeted for the major education programs like Title I, Chapter 2, Drug-Free Schools, and other important programs that have traditionally been priorities for Republicans and Democrats alike.

NO FEDERAL SUPPORT FOR PUBLIC SCHOOL CHOICE

While the Committee did include a new Charter Schools proposal that will add somewhat to the choices of schools available to parents and children, we did not move forward on the issue of public school choice. The debate about educational reform has brought forth many issues, but none as controversial as school choice. From the beginning, most Committee Republicans joined with the Administration to support public school choice.

We were disappointed several public school choice amendments were rejected. Several amendments were offered in Subcommittee and full Committee allowing public school choice as an option for local school districts to use in order to improve educational opportunities for disadvantaged children. For some reason, despite the rhetoric supporting public school choice used by President Clinton, as well as many Congressional Democrats and Republicans, our

Committee always opposes any legislation that would explicitly allow it.

FEDERAL EDUCATION FUNDS SHOULD NOT BE SPENT ON REPRODUCTIVE SERVICES

Another objection to H.R. 6 is the failure of the Committee to accept language which would prohibit the use of funds appropriated under this Act to provide family planning and health reproductive services as part of coordination of services projects funded under this Act. Although the language in Title X does not specifically include actual payment services among those items which can be paid for as part of a coordination program, this list is open-ended and it is possible that schools could use dollars for this purpose.

Since the amendment did not limit a coordination project's ability to provide family planning and health reproductive services with state or local funds or to coordinate with existing services providers, we did not understand the reluctance on the part of Members of this Committee to adopt this amendment. It is our contention that this amendment is necessary. We would also hope that any coordination project which provided such services to their students would do so with parental consent.

THE DRUG-FREE SCHOOLS AND COMMUNITIES ACT

With respect to title IV of H.R. 6, which would reauthorize the Drug-Free Schools and Communities Act, we have several concerns about the allocation of funding among the various entities in the State. The bill, as reported by the Committee, would eliminate the Governor's discretionary funding under the Act. Under current law, 30 percent of a State's allocation, subject to a cap, is available to the chief executive officer of each State to support community-based drug and alcohol abuse prevention and education. In lieu of such funding, the reported bill would require each LEA to devote 21 percent of its funding to grants to parent groups, community action agencies, community-based organizations and nonprofit organizations for community-based drug abuse and violence prevention.

We are not convinced that the diffuse nature of ad hoc grants supported by each LEA in a State will have the same impact as a comprehensive, community-based strategy to prevent drug and alcohol abuse led by the Governor. As the chief policymaker in the State, we believe that the Governor should play a more prominent role in attacking the problems of violence and drug and alcohol abuse as they impact on schools and communities.

With respect to the use of funds by LEA's under the Drug-Free Schools and Communities Act, we are concerned about the emphasis in the Majority report on comprehensive health education as an authorized activity under the Act. While for a particular LEA, health education may be an important element of its violence and substance abuse prevention effort, a health curriculum may not be an effective or desirable strategy in many other school districts or communities. We emphasize that a decision to implement a program of comprehensive health education and the determination of what substantive areas should be included in such a program are purely a local concern. We are also troubled by the potential that Federal funds designed to support education on drug and alcohol abuse will be diluted to fund general health education and that the focus on substance abuse prevention will be lost.

CONCLUSION

We wholeheartedly agree with Chairman Ford's often stated view that the only way real change in education occurs is with bipartisan political support and ownership from the education community. We remain hopeful that we can work out our disagreements so that this bill is able to gain bipartisan support. This bill affects almost every American public school, and is the last reauthorization that will have any effect on our education system before the beginning of the 21st century.

Instead of more Federal programs, more Federal paperwork, and more Federal mandates, this bill must be changed to become less directive and more supportive of the genius of our local communities. Committee Republicans remain committed to passing a bill that focuses on guaranteeing high quality programs for disadvantaged children and granting schools the flexibility they need to provide a top-notch education for the students they serve. Our nation's future generations demand nothing less.

BILL GOODLING.
MARGE ROUKEMA.
STEVE GUNDERSON.
HARRIS W. FAWELL.
CASS BALLENGER.
BILL BARRETT.
JOHN BOEHNER.
RANDY CUNNINGHAM.
PETE HOEKSTRA.
HOWARD P. "BUCK" MCKEON.
DAN MILLER.
MICHAEL N. CASTLE.

SUPPLEMENTAL MINORITY VIEWS

We oppose H.R. 6 as written because it is fundamentally flawed. This bill, far from improving America's schools, expands federal micromanagement over public education, weakens private education, and does nothing to give more flexibility to teachers or more freedom and accountability to parents. Our concerns with the bill include, but are not limited to, the following objections:

H.R. 6 SADDLES PUBLIC SCHOOLS WITH MANDATORY "OPPORTUNITY TO LEARN" STANDARDS.

The bill requires states to set out how much school districts should be spending per pupil, a provision that will inevitably produce lawsuits by activist groups seeking to "equalize" and increase school spending in defiance of expressed taxpayer wishes. These "Robin Hood" raids on local schools' treasuries will do nothing to improve America's schools, but they will hurt a good many schools which will find themselves spending money in court they could be devoting to the classroom.

IT SPREADS SCARCE RESOURCES THIN WITH NUMEROUS SMALL PROGRAMS OF LESS THAN NATIONAL SCOPE.

The President has targeted a number of small programs for elimination, yet Committee Democrats unanimously voted to keep alive the Native Hawaiians program, the National Writing Project, the Close-Up Foundation's Ellender Fellowships, and the civic education program. While these programs may be of benefit to their participants, they lack the national significance to justify their continuation on the federal level. They also take scarce resources away from more important priorities. The Administration understands this. Committee Democrats apparently did not.

IT SQUANDERS RESOURCES ON EDUCATIONAL FADS.

It is hard to believe a new gender-equity education program is likely to improve America's schools, or that yet another federal funding stream to school-based health clinics (title X) is going to raise academic tests scores. The addition of these new programs calls into question the devotion of the Committee majority to serious educational reform.

IT FAILS TO GIVE PARENTS EVEN PUBLIC SCHOOL CHOICE.

Despite the claims of the bill's supporters that H.R. 6 will increase flexibility, this concept apparently does not extend to enabling parents to remove their children from failing public schools. Although the President supports the right of parents to choose between public schools, Committee Democrats nearly unanimously rejected a Republican amendment to permit parents to transfer their

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children from one federally funded public school to another—the mildest possible form of school choice. We are left to conclude that choice in any form is simply not acceptable to the President's party in Congress.

IT LACKS PROTECTIONS AGAINST DISCRIMINATORY TESTING.

The Civil Rights Act of 1991 protects job applicants from so-called "race-norming," the practice of adjusting a racial of ethnic group's test scores up or down based solely on membership in the group rather than on academic ability. Committee Democrats unanimously rejected an amendment to ban race-norming of educational tests. The amendment's language was identical to that in the Civil Rights Act of 1991. It is hard for us to interpret this action as anything other than an attempt to leave open the option to discriminatory testing inconsistent with American principles.

IT LACKS ANY PROVISIONS TO EXPAND THE RIGHTS OF PARENTS.

Although H.R. 6 contains extensive provisions to generate "parental involvement" in education, these provisions are premised on the notion that parents are at best reluctant participants in their children's education who must be enticed to take an interest. We believe parental involvement will rise when schools are more accountable to parents and more responsive to parental complaints and suggestions.

IT THREATENS THE INDEPENDENCE AND EXISTENCE OF PRIVATE EDUCATION.

H.R. 6 contains a provision of breathtaking audacity. Section 2124(e) overturns decades of state law and jurisprudence to require all teachers, including private and home school teachers, to be state-certified. Since all states already require certification of public school teachers, some states require it for private school teachers, and no state requires it for home-schooling parents, this intrusive and unnecessary federal mandate would shutter many private schools and effectively end home-schooling as an option for America's parents. Committee Democrats unanimously rejected a Republican amendment to protect private, religious, and home schools from federal control. The provision's author, Rep. Miller of California, has said he will not accept a clarifying amendment exempting nonpublic teachers. These facts make this new federal mandate all the more disturbing, and we will support an amendment on the House floor to correct this grave problem.

H.R. 6 is a missed opportunity on the grand scale. Our objections to H.R. 6 boil down to the issue of freedom versus bureaucratic control. Americans want a federal education policy that liberates schools to teach, gives parents a say in the classroom, and beyond this does only that which is strictly necessary to help parents and students do for themselves what they cannot do collectively as individuals, local communities, and states. Instead of making federal education programs simpler, more flexible, and more user-friendly, H.R. 6 piles on still more federal mandates and frivolous spending programs. Instead of ensuring the diversity of America's education system by safeguarding the independence of our thriving nonpublic schools, the bill expands the sphere of unwanted federal control. This is not educational reform. It is very close to the opposite of reform.

We do not think any federal law can by itself improve America's schools, but we do believe it is possible for a federal law to help liberate parents and teachers, private as well as public, to improve America's schools on their own. H.R. 6 is not that bill.

Dick Armey.
John Boehner.
Cass Ballenger.
Pete Hoekstra.

ADDITIONAL VIEWS OF HON. GEORGE MILLER

I fully support H.R. 6 as a significant step towards making educational reform a reality in this country, but I believe it falls short in addressing the serious national problem of students bringing guns and other weapons to schools. The Subcommittee on Elementary, Secondary, and Vocational Education accepted my amendment to require school districts to have a policy to expel a student for one year for having a gun at school. The full committee accepted an amendment to my provision, effectively stripping it of its teeth by dropping the mandate for one-year expulsion.

It is entirely appropriate and, I believe, essential for the Federal Government to condition billions of dollars of Federal assistance through the Elementary and Secondary Education Act on school districts taking decisive actions to curb school violence. Students cannot learn in an atmosphere of fear. The Congress recognized this in codifying national education goal number six, that American schools will be free of drugs and violence by the year 2000.

I believe that violence free schools is an empty promise unless school authorities take far more decisive actions than they have to date to rid themselves of weapons. Statistics on guns and associated violence in schools are alarming:

> One in every five male students regularly brings a gun or knife to school;
>
> One in four students have been victims of violence in or near a public school;
>
> 100,000 students take guns to school in this country every day; and
>
> 16 percent of high school seniors say they have been threatened by a weapon at school.

A decisive action is one that sends a signal to young people that there will be a serious consequence for bringing a weapon to school—not a slap on the wrist, not a few weeks at home, but you will forfeit your right to participate in the regular educational program at that school for one year. Regardless of the reason a student may conjure up for carrying a gun, it must be made clear that there is no justification—period.

One year expulsion for possession of a weapon is a critical component of a comprehensive policy by schools to address school violence, which may include alternative placement and educational programs for offenders and which also should include violence prevention activities. I fully support title IV of H.R. 6 providing Federal funds for comprehensive school violence prevention activities, and believe that it is another important component of Federal actions to address this serious problem.

GEORGE MILLER.

ADDITIONAL VIEWS OF HON. BILL GOODLING

H.R. 6, as reported by the Education and Labor Committee, contains some major improvements in our current elementary and secondary education programs. Although I voted against this bill because of my strong opposition to opportunity to learn standards and my concern about the many new programs created in H.R. 6, I wanted to point out some very positive aspects of this legislation.

Because it is a program of great importance to me, I would like to begin by highlighting some of the significant changes in the Even Start Program. First, we have expanded the program to include a high risk group, teenage parents. Instead of waiting until young parents drop out of school, placing them at risk of unemployment and dependency on welfare, their inclusion as eligible participants in Even Start will provide them with the supports they need to stay in school, to become a true partner in their child's education, and to obtain the early childhood services which will enable their child to start school ready to learn. Next, we have provided for a demonstration program in a women's prison which permits young children to live with their mothers. The rate of illiteracy in the U.S. prison population is extremely high. Through the operation of an Even Start Program, we can help mothers gain the skills they need to obtain employment once they leave prison, improve their ability to be their child's first teacher, and enhance their child's ability to do well in school.

We also acknowledge, for the first time, other organizations which have a record of providing effective literacy programs, such as Parents as Teachers, the Home Instruction Program for Preschool Youngsters, and the National Center for Family Literacy and have modified the law to clarify the eligibility of these organizations to participate in Even Start activities. We do not, however, allow these programs to be a substitute for Even Start. Rather, we are expressing the view that Even Start Projects can use these programs as components of Even Start. For example, a growing number of Even Start Projects use the Parents as Teachers model for their parent training component. Parents as Teachers is a well-recognized, effective program. It is not, however, the same comprehensive model as Even Start. Although I endorse the usage of this model by Even Start programs to fill their parent training requirement, I want to stress that an Even Start project must have all three components: parent training, parent education and early childhood development to qualify for funding under this Act.

H.R. 6 also takes important steps to strengthen the parental involvement provisions under Part A by allowing schools to provide literacy services to Chapter 1 parents. Many of our Chapter 1 students have parents who are doing their best to be full partners in their child's education. However, due to their own poor literacy skills, they are often frustrated and unable to provide their child with the assistance they require to succeed. By allowing Chapter 1 to obtain literacy services for these parents, we are, in effect, taking steps which will help insure their child's long-term educational success.

Another area where I believe this bill makes important improvements is the Chapter 1 Neglected and Delinquent Program. The most recent evaluation indicated this program did little to improve the likelihood that these youth would return to school or stay in school once they returned from a correctional facility. We have restructured the State Agency Program to focus on the most at-risk group of youth—those residing in State facilities for youth and in adult correctional facilities—and have strengthened the language requiring for transition actities to assist these youth in returning to school.

In addition, we have expanded this program to better address the needs of delinquent youth at the local level. Under the provisions of H.R. 6, States will withhold at the State level all funds under Part A based on counts of youth in local correctional facilities or community day programs and use them to make grants to those local educational agencies with the largest number of youth in correctional facilities and a high dropout rate. Research indicates a strong correlation between educational success/failure and delinquent activities. This new section will allow schools to address this problem through intervention and prevention activities. For those youth already in local correctional facilities, it will help schools establish a relationship with the facility to ensure the education the child is receiving is consistent with the education their peers are receiving in their local schools—thus allowing the youth to return to school on an even par with other students. Schools will also be required to establish dropout prevention programs in the school to serve students at risk of dropping out and to serve those students returning from correctional facilities. The more students we can keep in school and assist in addressing their educational needs, the greater our ability to prevent their participation in delinquent activities.

I was also pleased with the inclusion of a provision allowing schools to use up to five percent of the funds received under this Act for the coordination of health and social services to meet the needs of their students and their families. As a former educator, I realize there are often factors outside of the school environment which affect a child's ability to learn. The coordination provisions contained in this legislation will not only provide families with the support system they need, it will allow the classroom teacher to devote more time to teaching. I am, however, disappointed that my amendment prohibiting the use of these funds for family planning and health reproductive services was not adopted by the Committee. My amendment did not prevent coordination projects from providing such services through the use of State and local funds or through coordination with existing programs. It did, however, prevent the use of limited federal education dollars for this purpose.

Another issue I would like to address is bilingual education. I appreciate the opportunity to work with my colleagues to address several of my concerns regarding this important program. If we are truly to help all students meet the National Education Goals, we must assist limited-English-proficient students to gain the English language skills they require to succeed in their academic endeavors and in society as a whole. I am particularly pleased that we were able to come to an agreement concerning the use of funds for special alternative programs. Under current law, there is a 25 percent cap on the amount of funds which can be used for alternative methods of teaching limited-English-proficient students. However, there are often circumstances which do not permit schools to operate a transitional bilingual education program and I did not feel these schools should be penalized because of circumstances beyond their control. An amendment I offered addresses this concern by allowing schools to apply under the 75 percent of funds reserved for grants for schools which operate transition bilingual education programs under the following two circumstances: (1) where the diversity of the limited-English proficient students' native language and the small number of students speaking each respective language makes bilingual education impractical and (2) where, despite documented convincing efforts, the applicant has not been able to hire instructional personnel who are able to communicate in the student's native language. I believe the inclusion of this amendment provides necessary flexibility in the law without losing the focus on transitional bilingual education programs.

Finally, I would be remiss if I did not express my pleasure with the inclusion of a refocused Chapter 2 program and broad waiver provisions in the bill reported by the Committee. As schools throughout this country increase their efforts to meet the National Education Goals, they require more flexibility in the development of their education programs. Education reform has become a major issue in our country and, as a result, schools are now living in a fishbowl with everyone watching what they are doing and expecting improved outcomes for children. Through funds received under Chapter 2 and the broad waiver provisions contained in the bill, schools are given the necessary tools to undertake true education reform. The time has come to trust our local educators. If our local schools don't have the best interests of our children at heart, who does?

With the inclusion of these and other provisions in H.R. 6, I believe we have truly started down the road to meeting the National Education Goals. It is my hope that we can work out our disagreements on the opportunity to learn standards and program proliferation so the bill finally passed by the House is a truly bipartisan effort to help provide all students with a quality education.

Bill Goodling.

ADDITIONAL VIEWS OF HON. TIM ROEMER

When the Education and Labor Committee began its work on the eighth reauthorization of the Elementary and Secondary Education Act (ESEA) nearly one year ago, its Members were presented with a unique opportunity to review, and provide incentives for improvement of, America's schools. I believe that through H.R. 6 the Committee made meaningful improvements to ESEA.

The reauthorization process was guided by one principle: the need to enable all students to reach high standards. While we can invest our resources in programs which primarily serve students, I believe that if we truly expect students to meet challenging standards we need to make a substantial investment in our Nation's teachers. Demanding curriculum and high achievement levels for students are meaningless if teachers are not given the resources to enhance their own knowledge and translate it into meaningful classroom experiences.

I am pleased that H.R. 6 places a high priority on professional development. The bill contains a new Dwight D. Eisenhower Professional Development Program (Title II, Part A) which seeks to build on the successful framework of the existing Eisenhower Math and Science Program. This expansion was to have been funded by eliminating the Chapter 2 program and redirecting its resources to the new professional development program. The consolidation of these two programs is appropriate and necessary if we are truly interested in encouraging and supporting teacher education.

Unfortunately, the Chapter 2 program is reauthorized in H.R. 6. While I realize that this program enjoys strong support among some local educators, studies indicate that, despite the reforms instituted by the Hawkins-Stafford Amendments in 1988, the program continues to lack focus and has not fulfilled its promise of stimulating state and local education reform. In fact, a recent U.S. Department of Education study, conducted by SRI International, indicates that the Chapter 2 program has not served its intended purpose because of its broad, vague, and overlapping nature, particularly in the area of professional development where Chapter 2 resources have been spread too thin to be effective. Additionally, the Chapter 2 program has received significant reductions in appropriations over the last several years, which can be expected to continue to decline despite the reforms contained in H.R. 6. This money should be captured before it declines further and directed to the Eisenhower Program.

Under the bill as reported by the full Committee, local education agencies may use Chapter 2 funds to purchase technology equipment and instruction material, and to support school-based reform. Despite this "targeting," Chapter 2 will be duplicative of other programs already contained in H.R. 6. Title II, Part B authorizes $300 million for technology acquisition. The new Eisenhower program permits a local education agency to use a portion of its funding for the purchase of instruction material related to curriculum development. The Library Media Program, contained in Title II of H.R. 6, establishes a $200 million grant program for State and local education agencies to acquire school library media resources. Federal support for school-based reform is contained in the Goals 2000: Educate American Act, for which the Administration has requested $700 million for FY 1995.

The overall theme of H.R. 6 is to target limited education resources to areas with greatest need. In keeping with this goal, I believe that the $435 million authorized for the Chapter 2 program instead should be targeted to teacher education, which is best accomplished through an increased investment in the Dwight D. Eisenhower Professional Development Program.

TIM ROEMER.

ADDITIONAL VIEWS OF THOMAS E. PETRI

H.R. 6, Improving America's Schools Act, reauthorizes and amends most of the federal government's programs of aid for elementary and secondary education. This legislation will affect virtually every public school in the country, and therefore has the potential to be a powerful tool for education reform. The Committee on Education and Labor has spent more than a year in considering this legislation and, for the most part the process has been bipartisan.

I firmly believe that improvement of our education system must come from the local level. The federal role in education should never be to dictate reform from Washington, but rather to give our communities the tools they need to best serve their students based on their own firsthand knowledge. It is only through the innovation and hard work of parents, teachers, local administrators, and the community as a whole that the needs of all children will be served.

With this in mind, I share some of the concerns my Republican colleagues have over this legislation in its present form. Language in the bill requiring the development of very specific "opportunity to learn standards" may create a new, unfunded federal mandate on states, local education agencies, and schools, and at a minimum has the potential to generate a tremendous amount of needless red tape and litigation. Of greater concern is the possibility that these federally mandated standards could erode the traditional state and local roles in curricula development, teacher training, and facility construction and maintenance.

In addition, I am concerned by the tremendous growth in categorical programs contained in this bill. It is laudable that the Committee is attempting to provide state and local education agencies with tools to help all educationally disadvantaged children. However, by requiring that funds authorized under this act be spent in so many specific ways, we are in effect eliminating state and local flexibility in the use of these funds, and diluting valuable resources which could be used to help all children achieve.

With this being said, I do believe that the bill as a whole has moved in the right direction. In particular, I believe that the following provisions of this legislation are deserving of support.

A STRENGTHENED TITLE I FUNDING FORMULA

I believe that the Title I funding formula compromise, authored by Mr. Kildee and myself, is fair and equitable to all regions of the country. This proposal ensures that disadvantaged children, both in urban and rural areas, will continue to receive the federal assistance they need.

The Kildee-Petri formula recognizes that Title I funds should follow the children they are intended to serve, and that funding shifts due to updated census counts will occur. With this in mind, the Kildee-Petri formula was designed around two basic principles. First, that schools serving eligible children should not lose funding, nor decrease the level of services provided, due to any change made in the formula itself; and second, that radical shifts in funding, which could prove devastating to functioning local programs, must be avoided. In addition, the Kildee-Petri formula attempts to increase the targeting of new Title I funds, without unfairly disadvantaging children due to the region of the country in which they live.

The Kildee-Petri consensus formula consists of two parts. The first part, Phase I, is based on current law. Under this consensus formula, appropriations for Title I up to the current level (FY 1994) would be distributed as Phase 1 grants. These grants would go out as they currently do, both as basic and concentration grants. However, targeting would be increased by calculating these grants at the local education agency level rather than by county as is currently the case. In effect, this means that disadvantaged children living in relatively affluent counties will receive the federal assistance that they deserve. The 85 percent declining hold harmless provision in current law is maintained, reducing the potential for drastic funding shifts, while still allowing these funds to be shifted to regions of the country where they are most needed. Finally, by updating the poverty estimates used for the calculation of both basic and concentration grants biennially, as opposed to decennially as is currently the case, drastic funding shifts such as those being faced this year are avoided, and federal dollars are more quickly moved to areas of the country facing the greatest need.

In an effort to more closely target additional appropriations without eroding the level of services currently provided under the first part of the formula (Phase 1), the second part of the formula, Phase 2, will be used to distribute new appropriations over and above the Fiscal Year 1994 level. These grants will be calculated in a similar fashion to the current basic grants, but will use a weighted pupil factor which is based upon the percentage of families living in poverty in the local educational agency in which the child lives. All disadvantaged children will get a portion of the increased appropriations, but those living in areas with high concentrations of poverty will get slightly more. As with the first part of the formula, grants will be calculated by Local Education Agency rather than by county, an 85 percent declining hold harmless will be maintained, and poverty estimates will be updated every two years.

In keeping with the first principle that this formula was designed around, i.e. that schools serving eligible children should not lose funding or decrease the level of services provided due to any change in the formula itself, I believe it essential that appropriations for basic and concentration grants under the first part of the formula be maintained at the FY 1994 plus current services level, and that only truly new monies be appropriated for grants under the weighted targeting portion of the Kildee-Petri formula.

CHARTER SCHOOLS

Another provision which I support is the inclusion of charter schools. The Committee adopted an amendment that would authorize the Secretary of Education to make competitive grants for the planning and start-up of charter schools in local communities. Charter schools are public schools in which teachers and principals are empowered to try innovative new methods to better meet the needs of students, particularly students who are not succeeding in the current structure. In exchange for the waiver of some statutes and regulations which often stifle public education, charter school administrators agree to ensure that their students achieve high standards. These innovative new "break the mold" schools underscore an emphasis on flexibility, and will give local educators the opportunity to exercise the genius which is the greatest strength of our elementary and secondary education system.

CONCLUSION

H.R. 6, the Improving America's Schools Act, will reauthorize and amend the majority of federal programs which aid efforts to improve elementary and secondary education in this country. When the Committee began this process over a year ago, it set out to provide state and local education agencies with the tools they need to help children learn to higher standards. Among the Committees goals was the encouragement innovation at the local level. As reported by the Committee, H.R. 6 accomplishes this to a large extent. I do remain concerned over provisions in the bill which may reduce local flexibility, and I do remain concerned about the growth in categorical programs. However, I am hopeful that these problems can be worked out as this bill moves through the legislative process.

TOM PETRI.

ADDITIONAL VIEWS

I am pleased that the Committee approved my amendments to H.R. 6, the Elementary and Secondary Education Act of 1965 reauthorization. These amendments dealt with sections 7006 and 7206 as they relate to programs in the territories and Freely Associated States.

The provision under section 7006, 'Residents of the Territories and Freely Associated States", is designed to make language commissions on Guam eligible for the same funds available to Local Education Agencies. Due to Guam's unique linguistic heritage and indigenous culture, language commissions have been created and have performed many of the functions that local education agencies will execute under this bill. To avoid repetition of effort between Guam's local education agency and the local language commissions, sec. 7006 puts them on a level playing field regarding competition for Title VII grants.

Section 7206 reads: "The Secretary shall give priority to the development of instructional materials in languages indigenous to the United States, its territories, and freely associated nations." The Secretary should ensure that materials development under Title VII are not unduly dominated by large language categories such as Spanish. Historically, materials development grants under Title VII have not sufficiently supported activities related to Native American languages or indigenous languages of the Territories and freely associated nations. Such languages include Chamorro, Carolinian, Chuukese, Palaoan, and others. By giving "priority" to indigenous languages such as these, the Secretary should make every effort possible to maintain materials development for small language groups.

Robert A. Underwood.

ADDITIONAL VIEWS OF HON. MICHAEL N. CASTLE AND HON. TIM ROEMER

NATIONAL ASSESSMENT GOVERNING BOARD (NAGB)

We are very disappointed in the Committee's decision to eliminate the National Assessment Government Board (NAGB). This board currently ensures that state and local education officials fully participate in the evaluation of the performance of our nation's schools.

NAGB is comprised of State and local education officials (governors, state legislators, school board members, administrators, superintendents, curriculum specialists, teachers, principals, and parents) and sets policy for the National Assessment of Education Progress, commonly referred to as the National Assessment or "the Nation's Report Card". NAGB is a bipartisan, independent board that provides a voice for state and local concerns and represents the appropriate Federal/state partnership in education decision making.

It is important to note that Secretary of Education Riley, the National Governor's Association (NGA), school board members, state legislators, and other local education officials strongly support NAGB.

Unfortunately, as approved by the Committee, H.R. 6 would eliminate NAGB. The Committee ESEA bill would shift important responsibilities including setting performance standards, and deciding on subject content from NAGB to the Commissioner of Education Statistics. The Commissioner is appointed by the President and would only be required to receive "advice" from a statistical advisory council—a body that would not ensure the broad-based representation that NAGB does. In its current form, the Committee bill is simply bad policy and is not supported by the Administration or state and local officials.

If NAGB is eliminated, the education partnership between State and local officials and the Federal Government will be seriously damaged. The Committee bill greatly reduces State and local input into the testing and assessment process and places the evaluation of our schools' performance solely in the hands of the federal bureaucracy. We hope this issue can be resolved during House consideration of H.R. 6.

MICHAEL N. CASTLE.
TIM ROEMER.

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